FINANCIAL TIMES

No. 25,566 Thursday September 30 1971 ** 6p

News Summary

GENERAL

Britons going to Moscow warned

As Russia showed signs of making British businessmen scapegoats in its efforts to retaliate for the expulsion of 105 diplomats and officials from London, the Foreign Office issued a warning to Britons going to Moscow.

Pravda said yesterday the employees of British institutions, tourists, journalists and scientists as well as businessmen were used in Russia by British intelligence "for its sinister aims." The Foreign Office warned Britons going to Moscow to conduct themselves particularly prudently.

In New York, Foreign Secretary Sir Alec Douglas-Home told the UN that if a European security conference were to succeed, each country must respect the security of the others. Page 14

IRA bazooka fired again

The IRA used their bazooka in Belfast again yesterday, but this time the 3.5-inch missile not only missed its Royal Artillery post target but again failed to explode. A British soldier was wounded by a sniper in the Ardoyne. There were a great many other minor attacks in Belfast and Derry. The Dublin Government considers the Chequers tripartite talks with Mr. Heath and Mr. Faulkner a major breakthrough in Anglo-Irish relations.

Mr. Lynch asked the Speaker to recall the Dail on October 20 for a special debate on Northern Ireland. Back Page

Crucial poll

The result of the important Macclesfield by-election, in which polling takes place to-day, is expected to be declared at lunchtime to-morrow. Both Tories and Labour regard the contest as the most crucial of the current Parliament.

Probe into sub blast

An inquiry has already been started into yesterday's explosion in the battery compartment of the patrol submarine HMS ...ance at Portland, in which a ...g was killed and 14 other ... injured. Most of the ...ties occurred in ... ...ers above the compartment. ... Navy said sabotage was ... ...ected. Alliance was ... two blasts during ... ...cises in 1968.

Mindszenty amnesty

Hungarian Government ... ...nced it had amnestied Cardinal Mindszenty, who flew to ...e on Tuesday, from his life sentence of 1948 for treason. ... decision apparently meant ...ould return to Hungary, but ...peared that the Hungarian... ...can deal that freed him pre... ...ed this. He is expected to ... in Vienna.

Car theft warning

Metropolitan Police yesterday ..., a major publicity campaign ... help reduce car thefts ...ment car crimes which have ...ce end an average of 220 a ...ny of ...on. ...e deligh... ...w much ... ...chard is ...ort early ... ...d The Pr... was ... Mr. Hause... ...tervals whi... ...n of the s... ...aftsmanship ...le of the e... ...ue, not me... ...t a brisk ...riation is ... ...max act... ...in, play ... ...comes ... ...ccess ... Phyll... ...t ... ...aigh... ...re i...

Faces and places

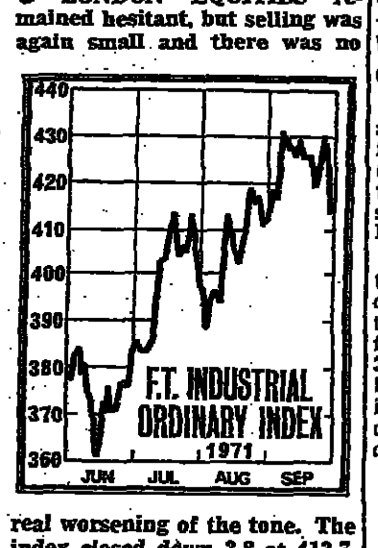
...d Howard, follow... The Pr...'s footsteps, was ...ayor of London ... 41 ... Lennon's wife, ... custody of her ... marriage to ... Jackson, 59, in a ...tal, has coronary ... and angina. ... protested against a ...cution demonstration ... Arts Council exhib... ...ng in London to-day.

... EUFA Cupholders, crashed ... to Belgium's Lierse. Cup ... defenders Chelsea beat ... Jeunesse d'Esch ... Hautcharage of Luxembourg ... broke all European competition ... a 21—0 aggregate. Liverpool ... Servette (Geneva) 2—0. Arsenal ... without reply from Stroemsgodset ... Trammen to turn their 3—1 first ... into a 7—1 aggregate in the ... Cup.

BUSINESS

Equities hesitant: off 3.8

● LONDON EQUITIES remained hesitant, but selling was again small and there was no real worsening of the tone. The index closed down 3.8 at 413.7, after 413.0. Gilts were steady.



£ up sharply

● THE £ ADVANCED sharply in a late burst of activity to close at $2.4850, a gain of 64½ points and an effective revaluation of 3½ per cent. Some dealers felt IMF talks rumours to be a factor, others attributed the flurry to straightforward commercial demand. Most European currencies strengthened against the $, the DM closing at 3.3130. The Japanese Yen reached a new high of 333½, a revaluation of about 8 per cent.

● GOLD FELL 50c to $42.65.

● WALL STREET'S index closed down 0.59 at 883.83.

● COCOA DIPPED below £200 for the first time in five years. Page 4.

● FINANCIAL PENALTIES for trade unionists who strike for excessive pay rises were proposed yesterday by Prof. James E. Meade, giving the Wincott Memorial Lecture in London. Pages 15, 18

'Shut-out' bid moves

● TAKE-OVER PANEL is acting to discourage "shut-out" bids in which sufficient "irrevocable" acceptances are obtained to make it virtually impossible for any counter-bidder to succeed. It is stipulating that where there is more than one ... bidder, no shut-out bid ... accepted without all ... being told that a potential ... situation exists. ... Panel should be con... ...re acceptance of any ... The moves follow an ... against tactics used in ... ...ing for Blaskeys (Wall... ... Page

● U.K. FOOD PRICES should remain among the lowest in Europe even after EEC entry, said chief Market negotiator Geoffrey Rippon. Products such as bacon and tea, luxuries on the Continent, would not have to rise to Continental levels, and in any case higher prices there were offset by correspondingly higher earning power. Back Page

● ALL U.S. PORTS MAY SHUT from to-morrow because of a planned strike by East Coast and Gulf longshoremen if New York shippers go ahead with plans to discontinue guaranteed income. West Coast ports are already locked in dispute. Page 5

● PRIVATE HOUSING STARTS fell to 16,800 in August from 19,800 a month earlier. Page 27

COMPANIES

Plessey group's performance is unlikely to show any improvement in this year's first half, but the second can be looked to with more confidence, said chairman Sir John Clark, who reported a 20 per cent. rise in exports last year to a record £39.7m. Page 30; Lex

Rockware Group first half pre-tax profit is £652,000 (£224,000) and the interim is 5 per cent. (4½). Page 30; Lex

Phoenix Assurance interim is 4p (3.75) per 25p share on first half pre-tax profit of £3.72m. (£3m.). Page 30; Lex

Banks ready with loan schemes as cartel system ends

BY MICHAEL BLANDEN

Free competition among the big banks begins to-morrow with the final end of the "cartel" arrangements governing interest paid on deposit accounts and charged on overdrafts.

The clearing banks will be announcing independent rates for the seven-day deposits, which contribute some 43 per cent. of their total public funds, and setting their own base rates for lending.

For the past fortnight, since the Bank of England's new credit controls came into force, these rates have continued to be fixed at an agreed maximum of 3 per cent. on deposits and a base rate of 5 per cent. for lending. At this stage, it is thought unlikely that there will be any dramatic changes in these rates.

Spare funds

The London clearing banks have substantial spare funds available for lending. They are therefore likely to concentrate their early competitive efforts on getting this money out to customers. Competition on lending rates may take the form initially of variations in the mark-up on the base rate charged to customers rather than in the base rate itself.

All the banks will be prepared to lend on longer terms, both to individual and to industrial customers, than they commonly have in the past. Loans for five to seven years, or even up to 10 years, will be available.

Midland and National Westminster, for example, have already indicated their willingness to provide mortgage loans for up to 10 years.

Williams and Glyn's, the fifth of the London clearers, last week announced home improvement loans up to 10 years linked with the installation of Baxi gas-fired central heating systems.

Yesterday, the bank announced a further development on similar lines, in conjunction with Norweb Electricity. This provides a no-deposit loan scheme for electrical installations such as re-wiring and central heating. The loans will be available at the 111 showrooms of the North-Western Electricity Board, for sums from £100 to £1,000 over a period of up to five years, at interest rates ranging from 7½ per cent. flat to 9 per cent., providing a true rate varying from 13 per cent. upwards.

There will be further development of attractive loan deals, including probably further improvements to the personal loan packages which have already been widely publicised by the big clearers (with the exception of Lloyds). Also in the consumer field, it seems likely that Natwest, Lloyds and Midland will try to accelerate the introduction of their joint proposed rival to the Barclaycard.

A substantial effort will also be spent in trying to improve the level of industrial borrowing, which has been depressed recently.

On the deposits side, competition is likely to concentrate initially on the big deposits. The banks have been active in this field, and have already taken in substantial term funds.

One bank, the Midland, has organised co-ordination of its deposit-taking activities into a central "money market division." While branches will still deal with the normal seven-day money, the central organisation will take in money in amounts from £10,000 upwards. Other banks set their sights in this area rather higher, at £25,000 or in the case of Lloyds at £50,000 for the special terms available on large funds.

Term deposits

Concerning small deposits, there will be a development of new packages to attract regular savings and term deposits at better interest rates. But it is thought that the real competition may not develop until the banks feel more need to pull in money, perhaps in the new year as the seasonal demand for lending rises.

The banks are expected to act cautiously in the new climate at first, but all have some developments in line to take advantage of their freedom to lend.

A brave new world for the banks Page 17

UCS—conciliation signs on both sides

BY ANDREW HARGRAVE, SCOTTISH CORRESPONDENT — GLASGOW, Sept. 29.

THE management of the newly-formed Govan Shipbuilders made considerable progress here today towards its aim of preserving shipbuilding on the Upper Clyde.

It took the first—and possibly decisive—step to achieve co-operation with the trade unions, which in turn could determine the renewal of contracts in abeyance since the liquidation of UCS. Both are conditions of financial help by the Government.

Mr. Hugh Stenhouse, chairman of the company, could also announce the appointment of Mr. Kenneth Douglas, managing director of UCS, as non-executive deputy chairman to assist him and Mr. Archibald Gilchrist, the chief executive, in the new enterprise.

Unlike the Government's four-man advisory group whose report on the reorganisation of shipbuilding on the Upper Clyde, with a blanket condemnation of UCS management, was accepted in full by Mr. John Davies, Secretary for Trade and Industry, Mr. Stenhouse has never concealed his personal admiration for Mr. Douglas and his desire to recruit his services.

The measure of understanding reached to-day by Mr. Stenhouse and Mr. Gilchrist with union representatives, led by Mr. Dan McGarvey, chairman of the shipbuilding section of the Confederation of Shipbuilding and Engineering Unions, but also including UCS shop stewards, owes much to Mr. Stenhouse's firm statement that he was bound by neither the Government nor the White Paper incorporating the advisory group's recommendations.

Indeed, Mr. Stenhouse went further by agreeing to examine the feasibility of including the Scotstoun Yard in his future plans over and above the Govan Yard and the Linthouse steel fabrication unit, the only ones the Government has so far undertaken to support. "We'll look at Scotstoun in detail to see if it is a viable proposition," said Mr. Stenhouse.

On their side the unions have also made considerable concessions. Mr. McGarvey accepted that Mr. Stenhouse's interest did not stretch to the Clydebank Yard, the fourth unit in the bankrupt UCS. Having persuaded the shop stewards earlier to-day to attend the meeting with Mr. Stenhouse, he also asked them to make what he called a "gesture" towards co-operation.

Labour force

Mr. McGarvey refused to reveal its nature before it is put to the shop stewards' co-ordinating committee to-morrow: but it may be assumed to be a departure from the rigid stand of keeping the whole of UCS as one group.

Nevertheless, Mr. McGarvey thought that to-day's meeting was the "first definite step" towards keeping the four units open. He indicated that pressure would now be brought to bear by the unions on the Government to provide generous help to a prospective buyer of the Clydebank Yard.

His first opportunity will come next Tuesday when he and other union leaders meet Mr. Davies in London. Mr. McGarvey made it clear that he would also press for aid to Govan Shipbuilders—or any other prospective buyer—of the Scotstoun Yard.

Earlier this month a proposal by Charles Connell and Co., pre-UCS owners of the Scotstoun Yard, for a three-unit complex to include Scotstoun as well as Govan and Linthouse in a Government-backed set-up was rejected by Sir John Eden, Minister for Industry.

If the confederation's pressure bears fruit, the labour force to be retained by the new company would be about double the 2,500 originally envisaged by the Government and its advisory group, the "Four Wise Men."

This would leave, as Mr. McGarvey put it, about 3,200 of the original UCS labour force of 8,300 "still to be argued out," in other words, those employed at the Clydebank yard.

Apart from the appointment of Mr. Douglas as deputy chairman, Mr. Stenhouse also announced two new members to his Board: Mr. Ronald Lyon, chairman of the property company; and Mr. Robin MacLellan, the Glasgow industrialist and president of Glasgow Chamber of Commerce. Mr. MacLellan is also deputy chairman of the British Airports Authority.

Further appointments may be announced later, said Mr. Stenhouse.

Case for further period of four-unit UCS, Page 8

Massive demand for colour TV

BY ARTHUR SANDLES

MASSIVE demand for colour television in Britain this year, accelerated further by the ending of credit restrictions, is giving U.K. set manufacturers a bumper year.

The industry has provided the retail trade with two-thirds more colour sets so far this year than in the same period of 1970.

Latest British Radio Equipment Manufacturers' Association figures indicate that during August, normally the slackest month of the year, disposals reached 81,000 colour sets compared with 69,000 in July.

This means that 429,000 sets have gone to the home market compared with 258,000 in the first eight months of last year —and the period of heaviest demand is yet to come.

Even sales of monochrome sets rose in August against a pattern of declining disposals. Some 140,000 black-and-white sets were sent to the retail shops (this includes rental outlets) by producers, which compares with an average of 109,000 for every other month this year so far.

But taking the first eight months as a whole, sales of monochrome are still down 13 per cent. on last year.

Record players and U.K.-made radios also showed sharp gains compared with August last year. Record players reached 39,000 (33,000 for August, 1970), but are 11 per cent. down for the first eight months. U.K. radios attained 49,000 (compared with 41,000 in 1970), bringing the total to 434,000—two per cent. down on 1970 (442,000).

Some 14,000 radiograms were delivered, giving a total of 108,000 for the year, slightly higher than 1970 (107,000).

These estimates are net figures of U.K.-made deliveries by U.K. manufacturers to the home market on firm and other accounts including those to specialist rental and relay companies.

Decision soon on BP find in N. Sea

By Andrew Hargrave

BRITISH PETROLEUM hopes to announce within the next few weeks whether its North Sea oil strike is commercially viable, Mr. A. F. M. Matthews, assistant general manager of fields co-ordination, said in Aberdeen yesterday.

The drilling rig Sea Quest is now working on the third well in BP's Forties field, 110 miles north-east of Aberdeen.

If the go-ahead is given—and Mr. Matthews confirmed that around 100,000 barrels of oil a day (amounting to an annual 5m. tons) is considered the commercially viable minimum yield —a 240-mile pipeline would be constructed from the oil field to BP's Grangemouth refinery via a land pumping station near Peterhead.

Pipeline

The underwater 110-mile sea-to-shore pipeline, lying at a maximum depth of 400 feet might cost anything up to £20m. At the pumping station the pressure of the oil would be raised and then piped to the refinery through a 36-inch diameter concrete clad steel land line costing between £10m. and £14m.

BP has already announced tentative plans to raise the throughput of the refinery, recently increased to 9m. tons a year, to 19m. around 1974.

Should the decision to exploit the field be taken, the underwater pipeline would be laid in 1973.

Mr. Matthews and other BP executives had discussions with local authorities in Aberdeen on environmental problems in connection with the drilling operations, which have already led to several hundred new jobs in the area, directly or through ancillary services.

BP's first announcement about the strike was less than a year ago.

Last week Brown and Root (U.K.) announced plans for building a 650 feet high offshore production platform at Nigg Bay, near Invergordon, in the Moray Firth. It is of the type required by BP for the exploitation of its field.

Chataway hint on second ITV channel date

MR. Christopher Chataway, Minister of Posts and Telecommunications, said yesterday there were strong arguments against making a move on the question of a second ITV channel until the BBC charter and the ITA licence came up for review in 1976.

The Government, however, had not reached a decision, Mr. Chataway told a Yorkshire news conference. He expected an advisory committee to give him its views on a second channel in the next six weeks.

At the conference, Mr. Howard Steele, director of engineering at the ITA, estimated that the cost of providing four-channel coverage would be between £50m. and £100m.

ON OTHER PAGES

MANCHESTER

To-day's issue contains eight pages (19-26) on Greater Manchester.

FLOATING £

£=	Sept. 29	% change since Aug. 13	% change on par value
U.S. $	2.48½	+2.7	+3.5
Can. $	2.50½	+2.5	−3.3
Dutch fl.	8.34	−0.4	−4.0
†Belg. frs.	116.92½	−2.6	−2.6
D.-Mark	8.22	+0.3	−6.4
It. lire	1,520	+1.2	+1.3
‡French frs.	13.72½	+2.9	+2.9
Jap. yen	828	−4.2	−4.3
Swiss frs.	9.83	+0.1	+0.3

† Convertible account.
‡ Commercial account.

THE £ ABROAD

—	Close Sept. 29	Close Previous
New York Spot	$2.4840-4849	$2.4784-4789
Do. 1 month	0.36-0.48prem	0.50-0.60prem
Do. 3 months	1.23-1.40prem	1.40-1.50prem
Do. 12 months	1.25-1.46prem	2.00-2.20prem

Parities: hope rises for a package deal

BY PAUL LEWIS, U.S. EDITOR — WASHINGTON, Sept. 29.

THE U.S. is now prepared to change the price of gold as part of a major realignment of world exchange rates that would leave the dollar more competitively valued than before, the president of the West German Bundesbank, Dr. Karl Klasen, told a Press conference here to-day.

Although Dr. Klasen said he was speaking with no certain knowledge of American intentions, his remarks have reinforced the belief that the back of the monetary crisis has now been broken and that agreement is within sight on a package of parity changes that would enable the U.S. Administration to take off the import surcharge.

New parities

So far the principal obstacle to a new currency agreement has been the refusal of the U.S. to accept any part of the adjustment burden itself by changing the dollar price of gold as the Europeans and Japanese have demanded. And only this morning the White House spokesman reiterated this stance after a high level discussion of the crisis between President Nixon, the managing director of the IMF, M. Pierre Paul Schweitzer, the U.S. Treasury Secretary, Mr. John Connally, and the chairman of the Federal Reserve, Dr. Burns.

However, Dr. Klasen has now added his voice to those who think that whatever the official pronouncements, at the end of the day the White House will be ready totrade a small change in the official gold price for a new world parity structure that would put an end to America's long history of payment troubles.

While this is perhaps the most important reason for the improvement in the crisis outlook, another key factor has been the willingness of the Japanese Government to accept a surprisingly large revaluation of the yen in terms of the dollar and a figure of around 15 per cent. is being mentioned with some confidence. This leaves the distribution of parity changes in Europe as the principal outstanding problem.

The real difficulty here is much less the change in relation against the dollar than the balance between the Common Market countries themselves. The West German Finance Minister has said that the currency appreciation of 10 per cent. against the franc is too much, while the French are more interested in keeping some 8 per cent. below the Germans than in their position against the dollar.

However, with the basis of a yen revaluation against the dollar in the 15 per cent. range, and an increase in the gold price of around 3 to 5, it would be possible for the French to stand still and for the Germans to apreciate formally by around 8 per cent. this would leave room for the Benelux countries to appreciate my a smaller amount.

The U.K. will face a difficult decision since as the Chancellor of the Exchequer made clear in his speech yesterday, the medium-term outlook for the balance of payments is poor and the Government anxious to avoid a major appreciation of the pound on the eve of Common Market entry. The probability therefore is that the U.K. will stick close to the French accepting a small appreciation against the dollar while hoping for largest possible revaluation of the strong European currencies against sterling and gold.

The final decisions on the overall shape of the parity realignment will not be taken until after the October 18 meeting of the OECD's Working Party 3 which is to conduct a very searching inquiry into the true balance of payments position of the countries involved and the precise size of the swing that it needed. Over the last few days the secretary-general of the OECD, Mr. Emile van Lennup, has been urged by the major countries to produce a particularly thorough and searching report.

Nixon talks

Guy de Jonquieres writes:—

M. PIERRE-PAUL Schweitzer managing director of the International Monetary Fund, to-day took his demands for a rapid solution to the monetary crisis to the White House, where he held a 45-minute meeting with President Nixon this morning.

Mr. Nixon was also joined by the chairman of the Federal Reserve Board, Dr. Arthur Burns, who is known to favour a more flexible American approach to the crisis negotiations, and by the Secretary of the Treasury, Mr. John Connally.

The spokesman reported that Mr. Nixon had told M. Schweitzer that he was encouraged by the progress made in recent weeks towards recognition of the need for a reform of the monetary system, the realignment of parities and measures outside the exchange rate field to improve the balance of payments situation.

Mr. Nixon also said that he was encouraged by the fact that M. Schweitzer had indicated that the other IMF members understood the U.S. action in moving to correct its balance of payments deficit.

As a result of his discussions with the President this morning, Mr. Connally's speech to the IMF meeting in Washington tomorrow is certain to be scrutinised with even greater interest for indications of a substantive shift towards a more flexible negotiating position

Support for Barber's plan, Back Page

...F PRICE CHANGES

(...es in pence unless otherwise stated)

RISES

...st Group	179	+ 7
...d	80	+ 8
...ays Secs.	153	+ 8
...s Motors	111	+ 6
...ma. Invs.	162	+ 12
...(BVC)	51	+ 7
...ison (T. C.)	85	+ 10
...ins and Horton	56	+ 6
Isle of Man (Holiday Centre)	35	+ 10
Milford Docks	26	+ 6
Philips' Lamp	545	+ 35
Reliance Hosiery	80	+ 5
Rockware Group	70	+ 6
Southn. Construction	31	+ 4½
Steel Bros.	145	+ 12
Triumph Inv.	183	+ 7
United Newspapers	265	+ 15
Universal Printers	270	+ 10
Williams & Humbert	82	+ 10
Amal. Tin	20	+ 3

FALLS

Beecham	317	− 8
Belson Int.	125	− 13
Bowring (C. T.)	485	− 13
DRG	144	− 7
Decca	208	− 10
Drakes	318	− 14
Drury Holdings	73	− 9
Hattersley Stelrad	220	− 12
Leslie and Godwin	375	− 42
Reyrolle Parsons	119	− 7
Scottish & Newcastle	89	− 6
UDT	208	− 9
Ward (T. W.)	338	− 17
De Beers Dfd.	178	− 8
Hartebeest	160	− 10
Jo'burg Cons.	£11	− ½
Palabora	370	− 30
Poseidon	725	− 25
Roan Cons. Mines	175	− 15
Selection Trust	665	− 30

U.K. DAILY STOCK INDICES

F.T.-ACTUARIES

	Sept. 29	Sept. 28	Yr. ago
Industrial Group	171.12	172.81	—
500 Share	184.74	186.28	141.98
Div. Yield pc	3.59	3.56	4.46
P/E Ratio	17.93	18.08	14.80
All Share	182.29	183.80	138.70
Consols Yield pc	8.57	8.57	9.25

FINANCIAL TIMES

	Sept. 29	Sept. 28	Yr. ago
Govt. Secs.	78.87	78.94	70.83
Fixed Interest	78.36	78.39	72.84
Industrial Ord.	413.7	417.5	355.6
Gold Mines	47.7	47.9	49.3
Ord. Div. Yield	3.75	3.72	4.54
Earnings Yield	5.88	5.82	6.34
P/E Ratios	17.01	17.17	15.78
Dealings Marked	12,977	13,118	9,223

Industrial Ord. (noon) 415.5.
For latest share index phone (01)-246 8026

ANNUAL STATEMENTS

INTERIM STATEMENTS

Letters to the Editor

BRACKEN HOUSE, CANNON STREET, LONDON, EC4

Industrial relations · Management · London fares

Sir,—It is clear from the tone of correspondence on the question of consultancy for small firms (with which I feel you might have bracketed Mr. Tessler's contribution, September 27, on the Industrial Relations Act) that most of your correspondents are primarily concerned with providing consultancy for cash. At once I concede that Mr. Wood of the Sheffield Polytechnic has made the point that such consultancy must be "grant aided." Where, possibly, I differ from him is in going on to say that it has still got to be "sold" to the recipients. One of the big difficulties which NUMAS had in its formative period was the need to "sell" it, and if this had been left to NUMAS Staff (of whom Mr. Lee is an old and valued friend) it would not have worked. In fact, NUMAS was sold nationally by the Regional and Branch Secretaries of the National Union of Manufacturers (of whom I was one) who were sufficiently separate from NUMAS, and acceptable to the firms in question, to be trusted by the latter. Even so, NUMAS would still have gone to the wall, CBI or no CBI, by reason of the peculiar personal factors which come into play in any voluntary organisation of small firms—especially when success seems to be dawning. The departure from it of its founding Managing Director was a blow from which it never quite recovered.

Development bureau

This is why I have long advocated a Small Business Development Bureau financed directly by the Treasury in the way that COSIRA has been financed for about 50 years. The idea has been condemned on the grounds that the Bureau would not be independent of the Government. I think COSIRA is, but more to the point, it would be independent of the ambitions of individuals thrown up by the "democratic process" in voluntary bodies. And that would be crucial.

Turning briefly to Mr. Tessler's point that Shop Stewards attacking the Industrial Relations Act have not, in the main, read it (that is a fairly liberal transcription of what he said, but it is quite correct) I would add that the same thing applies to many experts in industrial relations whose job in life it is to explain the Act to employers. I heard one the other day say that the Act would make no difference to non union firms! Just as though Section 1 (1) and (2) did not exist. I was reminded by the happy reception this remark got of the meetings I attended in 1964-65 on the subject of the Industrial Training Act. When I pointed out that this Act would create taxing bodies with power to levy on pay roll my audiences, just before popping their heads firmly into the sand, used to reprove me by saying: "This is England. Parliament would not do such a thing." But Parliament did and they have been weeping about it ever since. Now the Industrial Relations Act—which provides procedure for unionising firms whether the management and employees want it or not—has come along and heads are getting into the sand again.

Mr. Instance has pointed out, correctly, that the overwhelming majority of small firms are not in membership of any national body. This is so, and he could have added "... and never will be." That is why an SBDB, with no membership or subscription problems to occupy its time and staff, would play such a vital part in developing the entrepreneurial spirit. I am keeping my fingers crossed that Mr. John Bolton's appointment to a profit making Small Business Capital Fund is not a shadow of coming events.

J. H. Stevenson.

1, Abbots Green, Addington, Croydon.

Consultancy for small firms

Sir,—I wish to correct a statement in Mr. Instance's letter September 27, when he referred to the British Productivity Council's Groups attracting specialist line managers rather than owner managers.

The general programme of the British Productivity Council is intended for a wide range of industry, but the Small Firms Clubs were set up especially to cater for the problems that have been outlined by your various correspondents. This was because many small firms realised that their particular problems were not catered for by management consultants, training boards or a great many of the advisory boards that have proliferated over the past ten years.

In Manchester the Small Firms Club has over 65 per cent. of its membership at managing director, director or general manager level and is run by a committee drawn from these.

We have associate members in management consultancy and from these and other fields are drawn the speakers. The content of their speeches however is agreed by the committee prior to the event to make sure that it is applicable to small companies and from the response that we have had this system appears to work very successfully. In fact Mr. E. G. Wood, another of your correspondents, was one of our first speakers and associate members.

It may not always be appreciated that the problems of small companies may be similar, but the talents and abilities available to solve them are infinitely variable because they are concentrated in one individual in the majority of cases. That individual has most likely built up his business by taking risks that would frighten most large company management and he is unlikely to hand out money to anyone in an advisory capacity who cannot either prove the value of the return or is unwilling to take an equal risk with him. The S.B.A. intend consultancy services should be paid for out of profits and it would be as well if management consultants showed a little more faith in their own abilities by working on this basis.

N. A. Dyer,
Chairman,
Manchester Small Firms Club,
Southyard Street, Lerenshulme, Manchester.

Management research

Sir,—Mr. Peter Cartwright (September 24) has stirred up a hornet's nest with his comments on management literature and management research. At any rate your correspondents now have another target, other than the accountants, for their shafts.

During the past seven years I have travelled 11,000 miles in this country in order to examine capital investment planning with company officials. I have rarely found them unwilling to discuss their practices or their problems in this field of business planning. But I do not find a great deal of change towards a wider use of better techniques in investment appraisal. Yet most of the good literature here has been pouring out for over 15 years. Most of the improvements in U.K. corporate investment management have been initiated during the last three or four years.

Undoubtedly research in the behavioural sciences is most desirable. I can show which management practices produced higher returns on capital, higher sales, higher sales per employee or higher sales per unit of capital. (They do not necessarily all come together.) I can point to weaknesses in forecasting techniques and cash planning. Work of this nature takes time, energy and money: my research was financed by the Social Science Research Council and their work should be applauded.

How can this kind of research be stimulated? Not just by a pat on the head and a patronising smile. The need is there: its value is recognised in the research carried out in some of our academic institutions.

L. E. Rockley.
Principal Lecturer,
Lanchester Polytechnic.
Coventry.

World's finite resources

Sir,—Mr. Colin Hutchinson (Sept. 27), states there is a challenge (to conserve resources) that must be answered now by Government and our leading institutions. While the writer cannot speak for Government, he can inform Mr. Hutchinson—and of course other interested personnel—that this committee, which comprises of expert and specialist representatives of 24 of the major scientific and professional institutions; together with a number of co-opted experts, have more than once considered the "finite resources" and the necessity for the recovery and re-cycling of materials.

While it would be incorrect for the writer to disclose the discussions and findings of this committee in open correspondence, he can assure Mr. Hutchinson that the major institutions are fully aware of the problem and are in the process of organising a national conference on this subject, together with the attendant side issues involved, which will be held under the aegis of this committee.

Colin C. Bates, CGIA, CEng.
Chairman,
British National Committee on Materials.
1, Birdcage Walk, Westminster, S.W.1.

London fare increases

Sir,—Your wise editorial (September 28) on the proposed London fare increases puts the problem in a nutshell; it must be hoped that points you make will be carefully considered before a decision is reached. Meanwhile, I should like to make two observations. The first is that the need to subsidise metropolitan passenger services is not confined to London. It would be difficult to find another capital city where the commuter services are expected to make even a nominal surplus.

The second observation concerns the relationship between capital investment and labour productivity. Obviously, one-man buses are more economical of manpower than buses carrying conductors—at some cost in travelling time which could be greatly reduced by attractive discounts on season tickets or bus tokens. Automated underground services use far less staff per passenger than even well-loaded buses can do.

The rapid conversion of all London bus services to one-man operation and the construction of more underground lines cannot be financed out of passenger revenue, as you rightly note. Part of the investment needed to carry this programme through to early fruition should be discounted against the long-term savings in labour costs expected to flow from it. In a way, tube construction can be a hedge against wage inflation. Since it is uneconomic to encourage bus travel where underground services are available, it would be a grave error to order the reshaping of the fare structure in such a way as to double short-distance tube fares.

Ralf Bonwit,
Sorby, Kiln Lane, Binfield Heath, Henley-on-Thames.

Amenities of the Medway

Sir,—Stanley Webb tells us in his article "Conflict over the Medway" (September 28) that the Government has commissioned a "full cost benefit study of all . . . aspects" of "developing" the Medway industrially.

Dr. Cox of the Medway Yacht Club had therefore better beware of putting up too good a case for preserving Medway amenities—this new commission might come out against industrial development (MIDA) in that area. Then, if the Government/Roskill/Foulness episode is any guide, the Medway amenities are truly doomed.

This line of thought leads me to propound, diffidently, a new hypothesis: "Commissions' findings are invariably adopted by Governments, but arfacese." (Any crossword puzzle solver will explain that last word, which is more Anglo-Saxon than legal Latin.)

Geoffrey F. deC. Sizer,
64, St. Mary's Road, Benfleet, Essex.

Cover for credit cards

Sir,—I feel that your insurance correspondent overstated the difficulties of obtaining credit card cover in his article "Cover for Credit Cards" (September 27), and that his estimate of premiums at 50p to £1 per £100 of cover was on the high side.

Diners Club cardholders are offered an individual indemnity supplement for 50p per year, which gives them full cover against all liability arising from losses incurred by misuse of a card. This facility is announced in the United Kingdom and Ireland Directory, which is sent to each of the 103,000 members of Diners Club in the U.K.

Jonathan Boreham,
Managing Director,
Diners Club of Great Britain,
214, Oxford Street, W.1.

Macclesfield by-election

Sir,—With reference to J. Rogaly's comprehensive article on Macclesfield (September 2[illegible], page 14) I would point out that Mr. Simmerson's poor showing of 259 votes at Greenwich was in July 1971 after the White Paper on the EEC had been published and after the Conservative candidate, Mr. Stuart Thom, had endorsed the terms which had been negotiated for Britain's entry to the Common Market.

There is a reason why Mr. Simmerson will do worse in Macclesfield than he did at Greenwich and that is he is not now a member of the Conservative Party having had his membership cancelled by his Conservative Association during the summer. There is only one Conservative candidate, Nicholas Winterton.

David Frost.
20, Roland Gardens, SW7.

Protestants and Catholics in N. Ireland

Sir,—Although a great deal has been written and said about the Northern Ireland situation, nevertheless there has been a remarkable lack of concrete, usable ideas on what to do about it. Immediate withdrawal of the British Army would lead to chaos, the present situation is intolerable, so something must be done.

In this writer's view, a great deal of the newspaper writers' analysis has been inadequate. The problem is religious and social (not political) and must be solved on a religious and social basis. It is commonly accepted that Catholic equals Republican and Protestant equals Unionist. This is a fallacy.

For generations, Catholics in Northern Ireland have felt themselves to be second-class citizens—the best jobs and houses go to Protestants—for instance, one hears that no Catholic can rise to foreman level in Harland and Wolff's shipyard, and no local authority will employ a Catholic if a Protestant is available. Surely this is the root of the problem. The solution is not to involve Catholics in decision-making (as proposed by anti-Unionists) but to get Protestants (with a capital P) out of Government. Then protestants (small p) and catholics (small c) can be Unionists or Republicans or Socialists or Marxists or whatever—in other words, a normal political situation can develop along democratic lines without the present distortion introduced by religious bigotry.

If one accepts the analysis so far, then remedies and possible courses of action suggest themselves.

To start with, candidates for public office should be made to sign a declaration to the effect that they are active in no religious organisations, including the Orange Order and associated groups, the Legion of Mary, Pioneer Total Alstriene Association and all the rest, whatever their objectives—active politicians must get out.

A second obvious suggestion is to enforce fair employment legislation so that an employer would be open to legal action if he could be shown to practise religious discrimination, and this should include public authorities as well as private employers.

Finally, and on a much wider canvas, the differences between Protestant and Catholic must be removed. At present it is not necessary to ask a direct question to determine if an individual is Protestant or Catholic, it is only necessary to know where he went to school and where he lives.

Therefore the religious ghettoes must be destroyed. Local authority housing estates must be arranged to have a minimum of, say, 20 per cent. of the "other" religion and people must get used to the idea of having neighbours who go to a different Church on Sunday.

With regard to education in the South, an interesting situation is developing. Up to now, all education other than in the technical schools, was controlled by the Churches. With the demand for better and more modern secondary schooling, the role of the churches (in secondary education at least) is now coming under serious examination (not least by churchmen) and there is no doubt that there will be major changes in the relatively near future.

If these changes are taking place as part of an evolutionary process in the Republic then it should be possible to make changes in the Northern educational system which would lead to a breakdown in the present religious apartheid. The obvious course would be to refuse all State subsidies to schools with more than, say, 80 per cent. of pupils of one religion and to refuse to allow students from these schools to sit for State examinations.

On another level, isn't it about time that the ecumenical movement got to Northern Ireland? Would fire descend from heaven if Ian Paisley (who would have to decide between religion and politics) were to preach on "Brotherly Love" in the Catholic cathedral at Armagh? Isn't it about time that churchmen encouraged mixed marriages, rather than the opposite? Isn't it about time that Church leaders got their heads banged together and were told to get on with the job (of teaching the Christian message by word and example)?

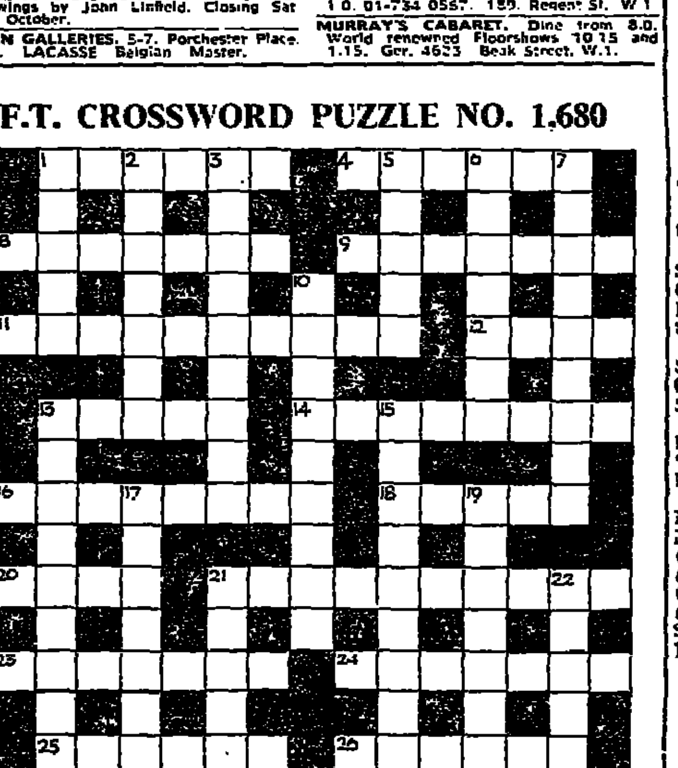
There seems to be some misapprehension about the man-in-the-street's feelings in the Republic. Up to very recently the British Army was frequently shown on television at the receiving end of stone-throwing hooliganism and in turn received a fair degree of sympathy. Now we get (particularly since internment) what appear to be well-documented stories of Army brutality towards civilians, and this gets the man-in-the-street's back up and this is grist to the extremist mill.

During the 1950s President de Valera (then Prime Minister) gave a famous interview to NBC in which he stated that his two great aims in life were to achieve the revival of the Irish language and the ending of partition. This was at a time when the emigration rate was of the order of 50,000 per annum.

The Irish nowadays are more realistic. The ending of partition to-morrow would mean a lowering of the standard of living in the North and possibly even in the South. It would mean the introduction (in many people's view) of a large group of contraceptive-using, divorce-prone, ruthless Northern people who would very likely take over the running of the country. So while we are against partition and wish to see it ended, we are not fools.

B. G. Daly.
Archer's Avenue, Kilkenny.

F.T. CROSSWORD PUZZLE NO. 1,680



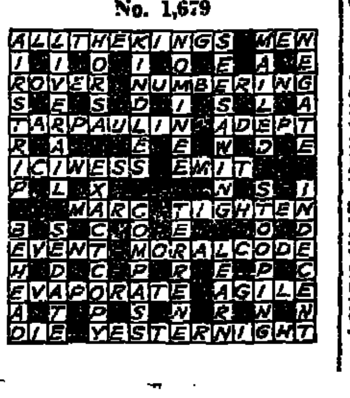
ACROSS

1 Harm done to mother and her generation (6)
4 Leopard goes round church a great deal (6)
8 Frank article by Shaw gets one down (7)
9 Waster develops into a runner (7)
11 Race stable becomes a small private company (6, 4)
12 "—— beyond the Mexique Bay" (Marvell) (4)
13 Runner attached to no party (5)
14 Open-handed series can be a bit of a trial (5, 3)
16 Nelson's favourite town in Canada? (8)
18 Weapon adapted for a flier (5)
20 Look both ways (4)
21 Snubbed by a valet (7, 3)
23 He's on the look-out for a primitive type (7)
24 Hat could be a soldier's strong point (4-3)
25 Here it could be moreover (6)
26 Loved to give a party Russian style (6)

DOWN

1 Drink to a play (5)
2 Wine produced by the explosive Irish (7)
3 Fool gets light-headed over butter (5, 4)
5 Tea Marines enjoy for a spell (5)
6 Pinching could make Neal cry (7)
7 Drawn by family to make for brewer's pub (4, 5)
10 Getting excited about the end of 11 (7, 2)
13 Attitude of defiance emphasised by war paint (5, 4)
15 Quite a blow when parade has to meander (5, 4)
17 One member takes what's left of advance (7)
19 Rogue takes a bow (7)
21 Born a mere poet (5)
22 Right loving about a leaf (5)

SOLUTION TO PUZZLE No. 1,679



TV/Radio

* Indicates programme in black and white.

BBC 1

*9.38 a.m. For Schools, Colleges. 12.55 p.m. O'r Crud i'r Bedd. *1.30 Tales of the Riverbank. 1.45 News. *2.05 For Schools, Colleges. 4.15 Play School. 4.40 Jackanory. 4.55 Blue Peter. 5.20 Ivanhoe. 5.44 Magic Roundabout.

5.50 News.
*6.00 Nationwide and Your Region To-night.
6.50 Tom and Jerry.
7.00 Owen MD.
7.25 Top of the Pops.
8.00 Bachelor Father.
8.30 Monty Python's Flying Circus.
9.00 Nine O'clock News.
9.20 The Most Immaculate Emperor: documentary about Hirohito and the people of Japan.
10.10 The Great Spy Scandal
10.35 24 Hours.
*11.20 Art and Technology.

All Regions as BBC 1 except at the following times:—

Wales—2.30-2.50 p.m. For Schools: Dysgu Cymraeg. *6.00-6.50 Wales To-day. *6.50-7.15 Heddiw. 7.15-7.25 Tom and Jerry. 8.00-8.30 Week In Week Out.

Scotland—*2.30-2.50 p.m. For Schools: Around Scotland. *6.00-6.50 Reporting Scotland. 11.47 Scottish News Headlines.

Northern Ireland—*2.30-2.50 p.m. For Schools: Ulster in Focus. *6.00-6.50 Scene Around Six. *11.47 Northern Ireland News Headlines.

England—*6.00-6.50 p.m. Look North (from Leeds, Manchester, Newcastle); Midlands To-day (from Birmingham); Look East (from Norwich); Points West (from Bristol); South To-day (from Southampton); Spotlight South-West (from Plymouth). 11.47 Regional News Headlines.

BBC 2

11.00 a.m. Play School.
7.05 p.m. Open University: Mathematics.
7.30 News.
8.00 Europa: Everyone is Guilty—Man-made pollution.
8.30 Trial.
9.20 Show of the Week: Mantovani and his Concert Orchestra, featuring Vince Hill.
10.05 News on 2.
*10.10 World Cinema: "Cul-de-Sac," starring Donald Pleasence, Francoise Dorleac and Lionel Stander.
11.55 Late Night Line-up.

LONDON

10.20 a.m. and 1.40 p.m. Schools. 2.32 Racing from Newmarket. 3.40 Origami. 3.55 Tea Break. *4.25 Peyton Place. 4.55 Secret Squirrel. 5.20 Magpie.

5.50 News from ITN.
6.00 To-day.
6.25 Crossroads.
*6.55 The Thursday Film: "Five Finger Exercise," starring Jack Hawkins, Rosalind Russell and Maximillian Schell.
9.00 For the Love of Ada.
9.30 This Week.
10.00 News at Ten.
10.30 Cinema.
11.00 The Day Before Yesterday.
12.00 Why Do They Do It?: Barbara Blake talks to Frank Field, Director of the Child Poverty Action Group, about why he took the job.

All ITV Regions as London except at the following times:—

ANGLIA

4.10 p.m. Tramme the Family Dog. *4.30 Anglia Newsroom. 4.35 Melodytoons. 4.50 Bush Boy. 6.00 About Anglia. 6.20 Arena. 7.00 Survival. 7.30 The Comedians. 8.00 The Persuaders. 11.00 The Avengers. 11.55 At the End of the Day.

ATV MIDLANDS

3.35 p.m. To-morrow's Horoscope. 3.40 Women To-day. 4.10 Family Affair. 4.40 The Adventures of Rupert Bear. 4.55 Skippy. 6.00 ATV To-day. 7.00 Thursday Movie: "The Glass Bottom Boat," starring Doris Day and Rod Taylor. 11.00 All Our Yesterdays. 11.30 The Communicators.

BORDER

3.00 p.m. Racing from Newmarket. *4.05 Border News Headlines. *4.07 Katie Stewart Cooks. 4.35 Stories of Tokyo. 4.55 Adventures in Rainbow Country. 6.00 Border News and Lookaround. 7.00 Feature Film: "Jessica," starring Angie Dickinson, Maurice Chevalier and Agnes Moorehead. 11.05 Pranken's World. 11.55 Border News Summary.

CHANNEL

3.55 p.m. Puffin's Birthday Greetings. 4.05 Origami. 4.20 Nanny and the Professor. 4.50 Joe 90. 6.00 Channel News. 6.10 Farming News. 6.15 Channel Sports Round-up. 7.00 Thursday Film: "The Ambassador's Daughter." 11.03 Strange Report. 11.55 News and Weather in French.

GRAMPIAN

3.00 p.m. Racing from Newmarket. *3.30 Grampian News Headlines. *3.33 Rumble Jumble. 4.25 Bush Boy. 4.55 Vortex. *6.00 Grampian News. 6.10 The Smith Family. 7.00 Star Colour Movie: "Rhino," starring Harry Guardino. *8.25 Police News. 8.30 Dickie Henderson Show. 10.30 For the Love of Ada. 11.00 The Day Before Yesterday. 12.00 Goal!: World Cup 1966. 1.45 a.m. Evening Prayers.

GRANADA

3.40 p.m. Farmhouse Kitchen. 4.05 News, followed by *Peyton Place. 4.35 Lancelot Link. 4.50 Captain Scarlet and the Mysterons. 6.00 Newsday, followed by *Put It In Writing. *6.25 The Mysteries of Edgar Wallace. 7.25 The New Dick Van Dyke Show. 8.00 The Persuaders. 11.05 The Avengers.

HTV

3.50 p.m. Women are People. 4.15 Tinkertainment. 4.30 Crossroads. 4.55 The Adventures of Young Gulliver. 6.01 Report West. 6.18 Report Wales. 6.35 The Sky's the Limit. 7.10 Mid-week Movie: "Kings of the Sun" starring Yul Brynner, George Chakiris and Richard Basehart. 10.30 A Drop in the Ocean. *11.30 The Untouchables.

SCOTTISH

3.30 p.m. Yak. 3.45 Crossroads. 4.10 Dateline: Early. 4.55 Bush Boy. 6.00 Dateline: Thursday. 6.15 Mr. Magoo. 6.30 For the Love of Ada. 7.00 Thursday Feature: "Funny Face" starring Audrey Hepburn and Fred Astaire. 9.00 Be My Guest, starring Helen McArthur. 11.00 Late Call. 11.11 Homicide.

SOUTHERN

3.35 p.m. To-morrow's Horoscope. 3.40 Women To-day. 4.10 Houseparty. *4.23 Heckle and Jeckle. 4.30 Crossroads. 4.55 The Lone Ranger. 6.00 Day by Day. 6.45 Junkin. *7.15 Thursday Film: "In the Doghouse," starring Leslie Phillips and Peggy Cummins. 11.00 Southern News Extra. 11.10 The Bold Ones.

TYNE TEES

4.10 p.m. North-East Newsroom. *4.15 Pastures of the Blue Crane. *4.40 Origami. 4.55 The Rovers. 6.00 To-day at Six. 6.30 Nanny and the Professor. 7.00 Popeye. *7.05 Thursday Film: "Escape," starring Norma Shearer and Robert Taylor. 10.30 Police Call. 10.35 Sportstime. *11.05 The Guardians. 12.00 Late News Extra. 12.15 a.m. Revolving Chair.

ULSTER

4.00 p.m. Yoga For Health. *4.30 Romper Room. *4.50 Ulster News Headlines. 4.55 Bush Boy. *6.00 UTV Reports. *6.15 Dawn Explores. *7.00 An Evening With . . . *7.30 Feature Film: "The Mob," starring Broderick Crawford and Ernest Borgnine. *11.00 What's It All About? *11.20 Get Smart.

WESTWARD

3.55 p.m. The Gus Honeybun Show. 4.05 Origami. 4.18 Westward News Headlines. 4.20 Nanny and the Professor. 4.50 Joe 90. *6.00 Westward Diary. *7.00 Thursday Film: "The Ambassador's Daughter," starring Olivia de Havilland, John Forsythe and Myrna Loy. 10.59 Westward Late News. 11.03 Strange Report. 11.55 Faith For Life.

YORKSHIRE

4.10 p.m. Calendar News. *4.15 Matinee. 4.40 Origami. 4.55 Bush Boy. 6.00 Calendar. *6.30 F Troop. 7.00 Cartoon Time. 7.20 Thursday Film: "The Lion," starring William Holden, Trevor Howard, Capucine and Pamela Franklin. 10.30 Yorksport. 11.05 Cinema. *11.35 Shooting.

RADIO 1 — 247m

Time checks, up-to-the-minute traffic reports, and News summaries at 5.30 a.m., 6.00, 6.30, then every hour on the half-hour until 2.30 p.m., 3.00, 3.30, 4.00, 4.30, 5.30, 6.30, 7.00, 8.00, 10.00, 11.00, 12 midnight, 1.00 a.m., 2.00. Weather at 5.32 a.m., 6.02, 6.32, 7.32, 8.32, 5.32 p.m., 6.32, 7.02, 2.02 a.m.

5.30 a.m. As Radio 2. 7.00 Tony Blackburn. 9.00 Johnnie Walker. 10.00 Jimmy Young. 12.00 Radio 1 Club. 2.00 p.m. Tony Brandon. 3.02 Radio 2. 3.03 Terry Wogan. 5.00 What's New. 6.00 Sounds of the 70s. 7.03-2.02 a.m. as Radio 2.

RADIO 2 — 1,500m; VHF

News summaries at 5.30 a.m., 6.00, 6.30, (VHF and 247m) 7.00, 7.30, 8.00, then every hour on the hour until 3.00 p.m., 3.30, 4.00, 4.30, 5.00, 5.30, 6.00, 6.30, 7.00, 8.00, 10.00, 11.00, 12 midnight, 1.00 a.m., 2.00. Weather at 5.32 a.m., 6.02, 6.32, 7.02, 7.32, 8.02, 9.02, 5.32 p.m., 6.32, 7.02, 2.02 a.m.

5.30 a.m. News. 5.32 Breakfast Special. 8.27 Racing Bulletin. 8.55 Pause for Thought. 9.02 Pete Murray's Open House. 11.02 Morning Story. 11.15 Waggoners' Walk. 11.30 As You Were. 12.02 p.m. Sam Costa (12.30-1.30—Dunlop Masters Golf Tournament, reports). 2.02 Woman's Hour (Golf Report—3.02). 3.03 Terry Wogan. 3.25 Racing from Newmarket. 3.40 Terry Wogan. 4.15 Waggoners' Walk. 4.31 Sports Desk. 4.35 Charlie Chester and Girl Talk. 5.32 Golf Report. 6.02 Album Time with Brian Matthew. 6.50 Sports Desk. 7.03 Alan Dell's Big Band Sound. 8.02 Norman Wisdom says Be My Guest. 8.30 The Organist Entertains. 9.00 Eric Robinson's Music Club. 10.02 Late Night Extra including Sports Desk at 10.15. 12.00 Midnight Newsroom. 12.05 a.m. Night Ride. 2.00 News.

RADIO 3 — 194m, 464m; VHF

7.00 a.m. News. 7.05 Morning Concert: Handel, Rossler, Berwald, Ibert, Poulenc, Gershwin, gramophone records. 9.00 News. 9.05 This Week's Composer: Prokofiev on gramophone records. 10.00 Northern Concert Orchestra: Alan Boustead, Faure, orch Rebaud, Khachaturyan, Tomlinson. 10.45 Schubert and Brahms. 12.05 p.m. Midday Concert: Mendelssohn, Walton, Beethoven. 1.55 La Finta Del Rizzamenio: Opera in two acts, Act 1. 3.15 The Interval: Talk. 3.20 La Finta Del Rizzamenio, Act 2. 4.20 Pied Piper. 4.40 Music for Chromatic Accordion. Ole Schmidt, Per Norgard, Torbjorn Lundquist. 5.10 Youth Orchestras of the World. 6.15 Concert Calendar. 6.25 Programme News and Stock Market Report. 6.30-7.30 Study on 3: The Arabs, part 4. 6.30-7.00 VHF Open University: Science 31. 7.00 A Language in Your Briefcase: The Far East. 7.30 York 1900th Celebrations Concert, part 1: Gabrieli, Beethoven, Janacek. 8.25 September in New York. 8.45 Concert, part 2: Mozart, Walton. 9.35 Conversations with Philosophers. 10.15 Bronislaw Hubermann plays Beethoven and Lalo, gramophone records. 11.30 News Summary.

RADIO 4 — 330m; VHF

6.25 a.m. News Summary. 6.27 Farming Today. 6.45 Prayer for the day. 6.50 Regional news, weather and preview. 7.00 Today: magazine. The News. 7.40 Today's Papers. 7.45 Thought for the day. 7.50 Regional news, weather and preview. 8.00 News and more of Today. 8.40 Today's Papers. 8.45 The Day They Kidnapped Queen Victoria, part 9. 9.00 News. 9.05 For Schools. 9.25 Other People's Lives. 9.35-10.15 For Schools. 10.15 Daily Service. 10.30-12.00 For Schools. 12.00 You and Yours. 12.25 p.m. My Word! 12.55 Weather, preview and news. 1.00 The World at One. 1.30 The Archers. 1.45 Listen With Mother. 2.00 For Schools. 2.30-3.00 For Schools. 3.00 Afternoon Theatre. 3.45 . . . Jack de Manio: Precisely. 4.30 Story Time. 5.00 PM: News magazine. 5.50 Regional news, weather and preview. 6.00 News. 6.15 Brothers in Law. 6.45 The Archers. 7.00 News Desk. 7.30 Any Answers. 8.00 The Music Makers. 8.45 Scan: review of the arts. 9.30 New Worlds. 9.59 Weather. 10.00 The World Tonight. 10.45 From Samurai to the Ginza, part 4. 11.00 A Book at Bedtime. 11.15 The Late News. 11.31 Market Trends.

Racing

Sharpen Up for to-day

by DARE WIGAN

TWELVE MONTHS ago *Brigadier Gerard*, owned by Mr. and Mrs. John Hislop and trained by Major W. R. Hern at West Ilsley, Berkshire, was an impressive winner of the Middle Park Stakes. This afternoon (3.30) Hern is represented by Mr. Michael Sobell's *Sun Prince*, a colt by *Princely Gift*, which after winning the Coventry Stakes at Royal Ascot, travelled to France a month later and defeated *Deep Diver* by one and a half lengths in the Prix Robert Papin worth £15,594, at Maisons-Laffitte.

Judged on those two displays, *Sun Prince* was entitled to be regarded as the best two-year-old colt of the season. But on September 12, at Longchamp, he finished a long way behind *Our Mirage* in the Prix de la Salamandre. He was struck into by another horse that day, but his connections did not advance that as an excuse for the colt's failure, and, this being the case, there is a question mark against him.

Philip of Spain ran clean away from *Firefright* and *Deep Diver* in the mud at Ascot, and then finished a close second to *Wishing Star* in the Gimcrack Stakes at York. But the close proximity of *Desperate Dee* and *Freeman*, neither of whom are in the top class, detracts somewhat from the performance.

One about which there are no "ifs and buts" is *Sharpen Up*, a chesnut colt by *Atan* out of a mare by *Rockefeller*. [illegible] Mrs. "Mimi" van Cutsem [illegible] has a quarter share in *Sun Prince*. *Sharpen Up* began his season quietly by winning the Plumtree Maiden Plate at Nottingham in June and then beat *Freeman* easily at Doncaster. Since then he has won the Hyperion Stakes at Ascot and the valuable Seaton Delaval Stakes at Newcastle without being extended. He is the selection.

Bold and Free, who ran *Waterloo*, easy winner of the Cheveley Park Stakes here yesterday, to a length at the Ayr western meeting, has 8st 6lbs to carry in the Bentinck Nursery Handicap (4.05), but if Mr. D. Heyman had access to that form he would surely have given *Bold and Free* at least 10lbs more. With Piggott in the saddle, *Bold and Free* will be a short-priced favourite and looks reasonably certain to win.

Fidel, winner of the "Joe Coral" Newbury Autumn Cup, has plenty of weight in the Melbourne Handicap (4.35), but this colt by *Relko* stays well and his defeat of *Crazy Rhythm* was a good performance. He is game and I think that he will win again.

Earlier in the afternoon *Twinkling Hill*, a filly [illegible] *Hillary*, which [illegible] trains for Mr. George [illegible] junr., ran with sufficient promise behind *Secret Kiss* and [illegible] at Ascot in July to suggest that she may win the [illegible] Plate (2.00). Piggott, with choice of mounts, has opted for *Sasha* in preference to [illegible] in the Southfield Handicap [illegible] and it may be unwise to ignore the hint.

Malleny will go well in the Ipswich Handicap (3.00). [illegible] *Revellarie*, though [illegible] pretensions of [illegible] *Tula Rocket* at Newbury the other day, [illegible] *Old and Wise* in the [illegible] Stakes (5.05).

Miss Jessica and *Maid* [illegible] are confident selections for to-day's meeting at Pontefract.

SELECTIONS

Newmarket
2.00—Twinkling Hill
2.30—Sasha
3.00—Malleny
3.30—Sharpen Up
4.05—Bold and Free
4.35—Fidel
5.05—Revellarie

Pontefract
3.15—Nicodem[illegible]
3.45—Marcha[illegible]
4.15—Space [illegible]
4.45—Miss J[illegible]
5.15—Maid [illegible]

Events

To-day

COMPANY MEETINGS

AVP INDUSTRIES, Harber House, N., 2. (Chairman, H. H. Foster.)
ACROW (ENGINEERS), 8, South Wharf Road, W., 9.30. (Chairman, Mr. W. A. de Vigier.)
BILLAM (J.), Sheffield, 12. (Chairman, Mr. G. Billam.)
BURT BOULTON, Brettenham House, W.C., 12. (Chairman, G. B. Hicks.)
CITY OF LONDON BREWERY AND INVESTMENT TRUST, 2, London Wall Buildings, E.C., 2.30. (Chairman Mr. K. A. H. Mason.)
BUBILIER, Ducon Works, W., 11.30. (Chairman, Mr. S. Soames.)
ELLIOT (B.), Victoria Works, N.W., 10. (Chairman, Mr. J. Frye.)
FRANCIS INDUSTRIES, St. Ermin's Hotel, S.W., 11.30. (Chairman, Mr. P. M. Thoneault.)
GORDON AND GOTCH, Stationers' Hall, E.C., 4. (Chairman, Sir Anthony Percival.)
HOWARD (H. R.), Ashton-under-Lyne, 12. (Chairman, N. D. Howard.)
HOWARD TENENS SERVICES, Winchester House, E.C., 11.30. (Chairman, Mr. E. C. Morris.)
JAMES (JOHN), Bristol, 12. (Chairman, Mr. J. James.)
JENKIN AND PURSER, Great Eastern Hotel, E.C., 12. (Chairman, Mr. A. R. A. Towner.)
KENNEDY SMALE, Macclesfield, 2.30. (Chairman, Mr. A. M. Johnstone.)
KINGSLEY AND KEITH, Croydon, 12. (Chairman, Mr. M. R. Ostler.)
KWAHU, 20, Aldermanbury, E.C., 11. (Chairman, Mr. W. H. Marshall.)
LOWE AND BRYDONE, Victoria Road, N.W., 11.30. (Chairman, Mr. J. P. R. Brydone.)
PERGAMON PRESS, Oxford, 11. (Chairman, Sir Henry d'Avigdor-Goldsmid.)
PICKLES (W.), Manchester, 12.30. (Chairman, Mr. W. Pickles.)
REDLAND, 21, Tothill Street, S.W., 12.15. (Chairman, Lord Beeching.)
REYNOLDS (W. J.), St. Ermin's Hotel, S.W., 12. (Chairman, Mr. R. W. Marsh.)
STERLING INDUSTRIES, 2, St. Mary Axe, E.C., 2.30. (Chairman, Sir Nicholas Cayzer.)
TURRIFF CONSTRUCTION CORPORATION, Leamington Spa, 11.30. (Chairman, Mr. W. G. Turriff.)
UNION STEEL AND MANUFACTURING, Wolverhampton, 3. (Chairman, Mr. J. L. Glove.)

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Duke of York's

Romance!

by B. A. YOUNG

The most significant character in John Spurling's book for *Romance!* is Norton Henry, the butler (and since this isn't a mystery I can say straight away, the butler did it). He is the Crichton of the permissive age. To prove equally efficient at serving drinks and coaching his employers at bridge and chess would *have* done for Barrie's square old class-conscious man-servant, but Norton, newly engaged by telephone, leads off by seducing his mistress, I mean his employer's wife, and then proceeds to make advances to the Austrian au pair and the office secretary with whom his employer has incontinently fallen in, as it were, love. It's no surprise to anyone on either side of the footlights when he ends up with the jewels.

Jess Conrad has all the physical equipment for this part, the animal grace, the easy charm, the friendly arrogance, the seductive voice, and it's clear from the fact that Mr. Spurling lets him get away with both the jewels and the most suitable girl that he regards him as a latter-day folk-hero. With everything going for him, Mr. Conrad must now correct his main fault, a tendency to mumble the ends of his lines.

Romance! belongs to a genre one thought had *died* out, the little English musical that blossomed a decade or so ago. It has a thoroughly middle-class plot about middle-class people with middle-class activities like stockbroking, bridge and adultery, and a musical score, undeniably tuneful, but suggesting that Charles Ross, who composed it, has been spending too long with his old 78s. Some of the dialogue, and some of the musical tricks, like the ending of every duet in thirds, makes me think that Mr. Spurling, author of one of the best political comedies for years, might have meant his work ironically but has been overruled by an old-fashioned director, who turns out to be Charles Ross again. (He also wrote the lyrics.) There's a ton of potential satire in this tale of instant seduction and evil rewarded, but no fun is allowed except the most straightforward kind.

Bill Simpson and Joyce Blair do well with the archetypal parts of City-man Andrew, who wears a Guards tie, and hostess Serena; he falls for this secretary (Roberta D'Este), who has a naïve yen for unimaginable wealth, and she for the Admirable Henry. Most of the action takes place during one of their Thursday-evening bridge-nights, on a series of grand sets by Pamela Ingram. These pretty, colourless songs are dropped in as needed, nicely enough sung by all and economically accompanied by Alan Leigh's little band in the pit.

If Mr. Ross could infuse a bit more zing into it, I think *Romance!* could well satisfy surviving admirers of *Wild Thyme* and *Chrysanthemum*. Yet I have a curious feeling that it isn't much like what Mr. Spurling had in mind.

Elizabeth Hall

Early Music Consort

by FRANK DOBBINS

Tuesday's concert was divided into two halves—the first devoted to English music of the 16th and early 17th century and the second an assortment of Spanish pieces from the 13th to 17th centuries. These divisions were not absolutely strict since the first seven items included four pieces by French composers found in English manuscripts.

Three of them were dances which sounded French enough, but whose titles were transliterated in the oddest way by the organist Thomas Mulliner. In attempting to suggest what the original titles might have been, the programme made the usual error of reading "La Deune [illegible]ella" as "La demoiselle" instead of the famous chanson "D'ou vient cela." But otherwise the presentation and performance was true to the letter and spirit of the time while providing an entertaining fare for the large and enthusiastic audience.

The programme was less varied than usual: the preponderance of doleful music was characteristic of both countries and the only frankly gay pieces were the *villancicos* and Italian *frottole* from the palace songbook, performed during the second half. Neither of the early 17th Century English pieces—"Watkin's Ale" from the Fitzwilliam Virginal Book or Melvill's "O lusty May" were bawdy enough—perhaps the performers felt constricted in their formal tails. However, there was compensation by way of an encore with a lively rendering of "Passtime and good company" from the Henry VIII book.

The Consort's five players represent the nucleus of the original group: although the palette is thus restricted (particularly by the virtual absence of percussion instruments) the standard of performance is vastly improved. The scoring in the concert was generally authentic and judicious although the shawm occasionally sounded more sugary and saxophone-like than strident and sonorous. The versatility of David Munrow, playing six different wind instruments, and Jim Tyler, constantly moving from viol to lute and from chiffarone to crumhorn, assured a certain variety.

A full house proved the need of using the Elizabeth Hall rather than the Purcell Room, yet its acoustic is really not suitable for a programme of so many small-scale items. Mr. Tyler and Mr. Hogwood suffered most in the solo items for lute and harpsichord, but in the mixed items the voice of James Bowman projected itself strongly above the crumhorns and viols: thus the polyphonic nature of much of the music was obscured and many delicate divisions were almost inaudible.

The comparative lack of robust numbers was probably responsible for the "swinging" performance of the last Cantigas de Maria from the 13th century collection of King Alfonso the Wise. The rapturous applause underlined not only the virtuosity of the performers but also the increasing popularity of medieval and renaissance music.

Oxford Playhouse

The Cherry Orchard

It occurs to one immediately from this revival, on the 15th anniversary of the Playhouse, how good it was for Madame Ranevskaya and her ménage to be uprooted from their estate. Chekov would have approved. Gone is the self-absorption and introspection. Gone, too, is the portentousness of effect by which a naturalistic approach too often tries to convince how serious and heartfelt its motives are.

In their place Frank Hauser's production plants gaiety and optimism, even a certain theatrical flamboyance (though less than Mr. Hauser put into *Ivanov*). There is festivity in the arrival back at the *estate*, in the first act, which is echoed, across the two intervening acts, in the games of departure in the last. Many of the minor characters—the German governess, Yasha, the horse-faced neighbour Pishchik—have an element of farce about them, made enhanced by the perfect irony of Chekov's observation. The delight in buffoonery shows how much of *The Cherry Orchard* is akin in spirit to the short early pieces like *The Bear*, and *The Proposal*.

Mr. Hauser gives us three intervals which facilitate digestion of the swift and compact craftsmanship of each act. The sale of the estate becomes an issue, not merely an emotion, but a brisk theme, to which variation is added, and final climax achieved, when Lopakhin, played by Lee Montague, becomes hysterical over his success at the auction.

Phyllis Calvert's Ranevskaya is not unduly affecting, but straightforward and generous: there is no self-pity, no neurosis. Her sadness is there by implication. She doesn't dominate the production but is consistently effective, as are the rest of the cast.

GARRY O'CONNOR

Gala opera performance

Sadler's Wells Opera will present a Gala Performance of Monteverdi's *The Coronation of Poppea* in the presence of Queen Elizabeth the Queen Mother, in aid of the Sadler's Wells Benevolent Fund at the London Coliseum on Wednesday, December 1, at 7.30 p.m.

Mark McManus and Harry Andrews in Edward Bond's new version of "King Lear," which opened at the Royal Court last night, directed by William Gaskill

Derry Moore

Record Review

Verdi and Bellini

by ANDREW PORTER

Don Carlos Caballé, Verrett, Domingo, Milnes, Raimondi/ Covent Garden Orch./Giulini. EMI SLS 956, four records (£7.17)

Macbeth Souliotis, Fischer-Dieskau/LPO/Gardelli. Decca, SETB 510/2, three records (£5.25)

Il Pirata Caballé, Marti, Cappuccilli/RAI Orch./Gavazzeni. EMI SLS 953, three records (£7.17)

Don Carlos, conducted by Giulini, is something we have been waiting for on records ever since that famous performance at the Royal Opera House on May 9, 1958. At last it arrives, and it is no disappointment. The Covent Garden orchestra plays with eloquence and splendour. Giulini's reading has the grandeur, the nobility and passion that we remember. The cast is not from Covent Garden (only Shirley Verrett's Eboli has been heard there); it is internationally assembled, and though we can criticise details and discriminate, it would be hard to assemble a better. The edition is complete, uncut, as it has never been at Covent Garden, and it is the composite edition of 1886: Acts 2 to 5 in the revised, shortened (and on the whole strengthened) version of 1883, prefaced by the unrevised first act of the Paris première in 1867. One thing alone is seriously, if predictably, wrong: the opera is sung in the usual poor Italian translation, instead of in the original language.

John Matheson and I are not the only people who want to hear *Don Carlos* in the original. In the August *Musical Times* Joseph Kerman says that after attending the Chelsea Opera Group's concert performance, "I do not believe anyone could doubt that the opera should be sung in French." He adds: "and that the original beginning should be restored; the extra few minutes will scarcely exhaust to-day's audiences." I agree, although—as discoverer and transcriber of this original beginning, suppressed so that Paris audiences could catch the last trains home —I must of course declare an interest. The only excuse for an Italian performance, on records, is that Montserrat Caballé, Placido Domingo and Ruggero Raimondi might sing French badly.

They sing Italian very well. Caballé is a beautiful Elisabeth: dignified, affecting, mistress of the long sensitive Verdian line which can soar and swell, or fine down to an exquisite thread of sound, firmly sustained yet sweet and gentle. Domingo rings ardently, sounds the heroic fire of the Infant, and can also be very poetical (as when he enters in the garden scene), though sometimes we miss the lyrical finesse which Bergonzi (for Solti, on Decca), brought to the role. Sherrill Milnes is a reliable Rodrigue; the death scene is broad, and very firmly sung. There is not quite the imaginative fire—the sense of a particular character rather than just another big Verdi baritone—which we want. Verrett is splendid. So is Raimondi, a big smooth bass, a powerful Philippe in the Italian manner. All in all, an excellent and stirring achievement. But now, please, can we have a recording of the subtler, more finely pointed original?

Book Reviews appear on Page 36

Almost everything about the new Decca *Macbeth* is admirable . . . except the Lady. Some listeners may not altogether enjoy Fischer-Dieskau in the title-role. He has a way of bumping and bouncing through the shorter notes; he rolls his r's extravagantly; it is very plainly a German performance of an Italian role—but not at all lacking in insight, imagination, or detailed attention to subtleties of inflexion. All in all it is rather impressive. Nicola Ghiaurov makes a splendidly sonorous Banquo, and Luciano Pavarotti is a full-voiced if not particularly poetic or affecting Macduff. The set is complete—the first *complete* recording of Verdi's opera. And best of all, by Lamberto Gardelli it is superbly well conducted, with the same cogent, compelling approach, in the same finely tempered, highly intelligent yet almost physically vivid fashion as distinguished his recording of *Forza* for EMI. Gardelli is one of the best Verdi conductors of our day.

Elena Souliotis, I fear, is a wash-out. She knows what she wants to do with the part, but the voice simply won't do what she wants. This is a pity. Only four years ago Miss Souliotis made a recital record, including the big aria from this opera, which suggested that she might become a very important singer, and the leading Lady Macbeth of our day. Nevertheless, I shall keep the set: for its completeness, for Gardelli, because—despite the prima donna's inadequacy—it does provide a peculiarly arresting account of the powerful work.

After that concert performance of *Maria Stuarda* in the Festival Hall recently, I began to wonder whether the whole business of *riesumazione*, of digging up forgotten operas to entertain audiences who, unlike our Victorian ancestors, are not eager to hear *new* operas, had gone altogether too far. The new recording of *Il pirata* restores my faith. It was Bellini's third opera, after the student *Adelson e Salvini* and the San Carlo commission, *Bianca e Gernando*, which followed on it: composed for La Scala in 1827, and to the first of the seven librettos (plus a revision of *Bianca*, and the abandoned *Ernani*) which Romani wrote for him. The play from which it was drawn is Maturin's *Bertram*—praised by Scott, promoted by Byron, played by Kean at Drury Lane with considerable success, and intemperately condemned by Coleridge in the final chapter of *Biographia Literaria*.

Bertram is a wild, whirling play, about a "High-hearted man, sublime even in thy guilt, Whose passions are thy crimes, whose angel-sin Is pride that rivals the star-bright apostate's." The words are spoken by a Prior, and the holy man goes on to declare that "Wild admiration thrills me to behold An evil strength, so above earthly pitch —Descending angels only could reclaim thee!" Goethe scornfully remarked that only the Byron-mad English could have fallen for such a farrago of *Menschenhass und Rachegeist*. Romani (who presumably used the French translation) tamed it, drew Bertram's teeth, reduced the tally of his crimes (in the opera he no longer seduces the married heroine; are there any adulterous prima donnas before Verdi's Lina?), and turned the good, dull husband into the baritone villain of convention.

Yet something of the original spirit remains, even in this conventionalised version. Bellini, who had not by this time discovered and settled for what he did best, tried to do *everything* in as striking and novel a way as possible: to experiment with forms, and with harmonies, and with orchestration. The mad scene (precursor of Anna Bolena's, Elvira's, Lucia's) opens with a long cor anglais solo accompanied by elaborate mime instructions for the heroine. Two things seem specially Donizettian, for Bellini did not develop them much in his later works, and Donizetti did: the use of a telling instrumental figure to introduce, punctuate and propel a dialogue, and the way of concealing the divisions between arioso dialogue and set, formal number.

Il pirata is filled not just with fine melody, but with other striking, subtle, unusual things that repay study. Gianandrea Gavazzeni realises them in an uncommonly vivid performance. He and Caballé seem to inspire one another; both of them evidently love the work, and are determined to show everyone just what an exciting piece it is. This is the best performance of an *Ottocento* "exhumation" that we have had on record for years. And that despite a tenor, Bernabé Marti, who is not nearly graceful enough. He is, however, rather attractively fearless. The baritone, Piero Cappuccilli, sings strongly but smudges his coloratura. Raimondi is grand casting in the small bass role of the Prior. Gavazzeni, in a foreword, claims that cutting old operas is a virtue; but in fact most of the score (unlike that of the *Anna Bolena* which he conducted, much abbreviated, at Glyndebourne) is here.

In my last record review I declared that all of Benjamin Britten's operas had been recorded. I had forgotten *Gloriana*. We still await a recording of that work.

MacRobert Centre, Stirling

The Rake's Progress

by ANDREW PORTER

Britain's newest theatre, *in* the MacRobert Centre of Stirling University, has opened with a fortnight of Scottish Opera and a new production of Stravinsky's *Rake's Progress*. The Centre is central, placed right at the heart of the university, its foyer across the spine walkway which joins residential and teaching blocks on this beautiful campus, beside the library, bookshop and supermarket. It will serve the students and also the towns of Stirling and Allan Water—the local "catchment" is about 200,000—but Glasgow and Edinburgh are not far away, transport can be subsidised, and Anthony Phillips, director of the Centre, should have no difficulty in filling the place. Scottish Opera, Scottish Theatre Ballet, Prospect (with a new production of *Love's Labour's Lost*) and a well-chosen film season form the initial programmes. Students get in half-price: *The Rake's Progress* for 50p, Darrell's *Giselle* for 25p, Prospect for 20p and films for 15p are uncommonly good value.

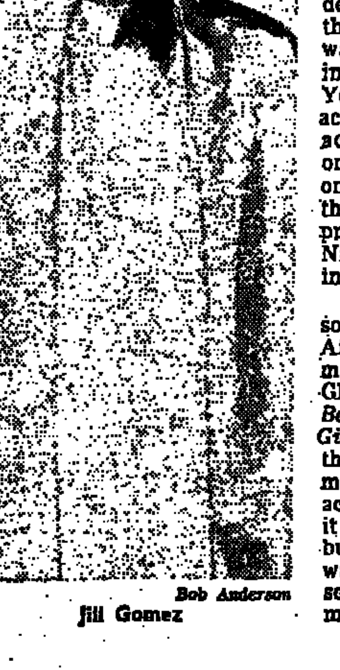
Stirling, a "Robbins" university, opened in 1967. The site, 360 acres of woodland and parkland beside Loch Airthrey, is stunning; the buildings and their relation to it (by Robert Matthew, Johnson-Marshall and Partners) are distinguished. And the Centre is ingeniously planned so *that* university life flows around and into it in a nice informal way on various levels. There is a large restaurant with a window-wall, open to loch and park, of uncommonly good design. There is a studio-theatre which struck me as a little small for most purposes, not likely to be useful as, say, Lancaster's. An art-gallery. A recital room the size of a large office. And the main theatre.

This seats 497 in a single, steeply-raked fan, the rows unbroken by gangways; in proportions it is rather like a smaller Bayreuth. The pit can be used at two sides, or jacked up as a forestage. The proscenium is 9.75m. wide, 5.49m. high, and the stage 9.14m. deep. Equipment is good. Larger companies will be cramped, but this was a deliberate decision: not to provide permanent accommodation for but occasional use. The Centre cost £400,000, made up of £250,000 from the MacRobert Trust, £125,000 from the Arts Council, £25,000 from Scottish Television and £7,500 from the British Film Institute; the University, the Gulbenkian Foundation, the Scottish Arts Council and Film Council help with running costs. One thing, on the opening night, seemed ill-planned: only two doors into the auditorium, one each side, well forward, so that the theatre took a long time to empty and even longer, after the intervals, to refill.

Scottish Opera have already produced *The Rake's Progress*, at the 1967 Edinburgh Festival. The performance at Stirling used almost the same cast (only Jill Gomez instead of Elizabeth Robson as the heroine, Johanna Peters as Baba the Turk as well as Mother Goose, and John Robertson's Auctioneer were new), the same designer and conductor; but it was an altogether new version, and differently conceived from any other presentation of *The Rake* that I have seen. Its producer, David Pountney, seemed first of all concerned to shun any trace of 18th-century prettiness and pastiche; and this was a dangerous concern in a work which has its starting-point there, whatever else it may go on to explore. Determined, perhaps, that we should not be simply content to enjoy the charm, the freshness of the sound, the copiousness of melody, he eschewed charm altogether.

The stage was open and bare, hung in black until Nick Shadow's power was vanquished; then it became white. Portable towel-rails were hung with leafy stuff for the country scenes, supported railings in London. The brothel was lewd, not picturesque. Sellem the Auctioneer descended as a bird of prey to preside over the plunder. For the graveyard scene funeral mutes carried on a huge coffin, intended for Tom, though in the end it swallowed up Shadow. The décor suggested Arrabal more than Auden. By intention it avoided any smartness or elegance, and the costumes tended to robust caricature.

I did not much like it. The high elegant finish of *The Rake*, which can well be reflected in all aspects of its presentation, seems to me not only a pleasure in its own right, but an essential element in the cunningly wrought drama. Yet we can respect Mr. Pountney's wish to cut through the pretty trimmings lest they take up too much of our attention. The performance was intelligently directed, and the producer's ideas were perfectly seconded by Ralph Koltai's decor, a clever compound of terseness and disciplined exuberance.



Bob Anderson

Jill Gomez

On stage Johanna Peters was the member of the cast, in both her roles, most completely keyed to the conception; and in addition her Baba was vocally a keen and compelling projection of a role which lies awkwardly for many. The acoustics of the theatre are not yet quite right for opera; the orchestra, the Scottish Baroque Ensemble under Alexander Gibson, sounds very well, but the voices, Miss Peters's excepted, did not ride out above it. Jill Gomez sounds louder and fuller at Covent Garden than she did in this small theatre. Her Anne Truelove was touching, specially touching in the London scene. Alexander Young, a very experienced and accomplished Tom Rakewell, achieved his wonted eloquence only in Bedlam arioso; again, one felt earlier that somehow the voice was not coming over properly. Peter van der Bilt's Nick was secure but somewhat indeterminate in character.

Excellent chorus. Some choice solo playing from the Ensemble. After Stirling, Scottish Opera moves to Newcastle, Edinburgh, Glasgow and Belfast (with *The Barber of Seville* and *Don Giovanni* as the other works in the repertory). Their new *Rake* may in later performances acquire a keener focus. Already it is ambitious and interesting, but its daring, on the first night, was slightly compromised by some performances suited to a more traditional presentation.

Covent Garden

The Ring

by GILLIAN WIDDICOMBE

I am writing now in the hasty fidgeting mood of suspended submersion that besets the Complete Ringer after *Rheingold* and *Walküre* on consecutive nights. It is not a simple case of the story so far (Rheinmaidens distressed, Brünnhilde asleep, Wotan crossed, Alberich lost, four dead). There are three dozen themes circling the head, imploring resolution; there is the unease of guilt and threat beneath Brünnhilde's symbolically pregnant sleep.

The suspense of this present cycle is heightened by the knowledge that we are seeing the very last of the Royal Opera's production. Peter Potter seems to have given it a better polish for this final showing than in recent years — but those comments belong when all is sung and done (in Monday's paper). It is also tantalising to hear for the first time Edward Downes conducting a performance that has not been prepared for Solti's shoes. His success has been mixed so far; and many of the differences between this real Downes and the shadow Solti have been astonishing.

Several times I have felt that problems have been caused by the orchestra: that the singers have been nursed to exaggerated expressive detail in piano rehearsals, and that the orchestra has not responded well enough to Downes at the last minute. Certainly the low brass and string accompaniments have been a regular cause of discomfort during several patches in *Walküre*, with poor ensemble and unsteady tone. But again, until Downes has displayed all his cards it seems premature to describe in detail, since his whole approach is thoughtful, accumulative. At the end of *Walküre*, Downes was rich in credit, since his lingering interpretation of Wotan's farewell was beautifully realised.

All four of the characters dead deserve mention lest they be overlooked later. By all accounts, Helga Dernesch and Richard Cassilly were in much better form this time than during the first cycle. Mr. Cassilly is a particularly variable performer: sometimes, apparently when nervous, he sings wildly out of tune, and alarmingly out of control. But this was a really fine, mature performance, clean and crisp. Miss Dernesch made a good partner, since she gives Sieglinde a maturity that matches him well —the match is nicely continued in vocal character. Karl Ridderbusch was outstanding as both Fasolt and Hunding; but he as Hagen, has one more life to come.

Festival Hall

Jubilee Mahler

by RONALD CRICHTON

The Royal Philharmonic Orchestra's silver jubilee season opened in style on Tuesday with a full hall for Mahler's second symphony. The conductor was Kempe, whose concerts with the London orchestra with which he is closely associated have a special distinction, notably in late romantic music. Strauss and Delius are examples of composers whose works he does exceptionally well, stripping the one of excess fat, refusing in the other to clog the music with self-indulgent dreaming.

To judge from this lively, often extremely well executed, yet finally not absolutely convincing performance, Mahler does not lie so near to Kempe's heart. He brought to the symphony clarity, bright colours, biting attack—also a general feeling of sanity, and that perhaps is what was wrong. With so much fresh air blowing about, something got away, something that whether you like it or not is vital to Mahler, the morbidity, the self-absorption, the hysteria whose frenzies (as the most lukewarm Mahlerian will admit) are so well timed, and produce such wild poetry.

The reading was least convincing where some of the best playing came, in the earlier stages of the finale, the agonised doubts and backward glances at natural beauty before the catharsis. Kempe controlled the physical aspect of the music (off-stage brass included) with an expert hand, but the spiritual progress from tormented sickness to hope and faith (with pathetic undertones of belief for belief's sake, not rock sure) was less firmly charted. This was certainly no fault of the RPO, alert and tonally seductive even when details like quick string runs (one cannot quickly forget the Chicago and Leningrad discipline) were not bang together.

Still less was it anything to do with the New Philharmonia Chorus, opening their season too in spanking form from the massed pianissimo entry to the sopranos' last triple forte B flat. Anna Reynolds sang the "Urlicht" movement with a telling restraint that did not exclude urgency when the words demand it. The soprano was Sheila Armstrong, who began as if she was not going to reach the high level she recently showed in the Albert Hall at the Proms but soon corrected that impression.

Farming and Raw Materials

Chile copper compensation terms shock for U.S.

BY HUGH O'SHAUGHNESSY, LATIN AMERICA CORRESPONDENT

A MAJOR CLASH between Chile and the U.S. has become inevitable after Dr. Salvador Allende, the Marxist President of Chile, announced massive claims against the two major U.S. copper companies for "excess profits."

The claims effectively eliminate any hope the companies may have had for compensation for their properties which were nationalised in July.

Dr. Allende announced that Kennecott, for many years sole owner of the rich El Teniente mine, the largest underground copper mine in the world, would have to forfeit $410m. for excessive profits earned between May 5, 1955 and December 31, 1970.

Anaconda for its part would have to forfeit $300m. for excessive profits made from the Chuquicamata mine, the largest opencast operation in the world, and $64m. in respect of the nearby El Salvador operation over the same period. The third U.S. copper company, Cerro Corporation, was not mentioned.

Before these mines, which have for the past two or three years been worked by the U.S. companies in partnership with the Government, were totally taken over by the state this year, compensation was fixed at their 1970 book value less depreciation.

The deductions claimed by Dr. Allende are thought to be in excess of the book value of the mines, though this will not be confirmed until October 14, when the Comptroller of the Republic is expected to announce the official valuation of the mines.

Dr. Salvador Allende

The U.S. companies will have the right to appeal against the valuation to a special court convened for the purpose. They have no right of appeal against the deductions decreed by Dr. Allende on Tuesday.

The Corporación del Cobre, the state copper corporation, had already lodged major claims against the U.S. companies for damage to the structure of the mines and their plant when they were handed over to the state.

Dr. Allende's move is sure to infuriate the U.S. Administration and Congress. President Nixon made no secret of his disappointment when Dr. Allende emerged undisputed victor in the presidential elections last September and relations have remained frigid since Dr. Allende took up office in November.

Deeper

The announcement by Dr. Allende in December that he would push ahead, as he was pledged to, with the state takeover of Kennecott, Anaconda and the Cerro Corporation's operations deepened the freeze.

Apart from the clash of political ideologies the Chilean decision is likely to place the recently formed Overseas Private Investment Corp., a U.S. Federal agency which insures the U.S. companies against expropriation, in severe financial difficulties.

OPIC may have to be bailed out by Congress. The U.S. Government would then have recourse to the Chilean Government.

Fowl pest warning to farmers

By Our Own Correspondent

NOTTINGHAM, Sept. 29.

BRITAIN could find itself in the middle of another major fowl pest epidemic if complacent poultry farmers continue to ignore safety measures, a Ministry of Agriculture spokesman said yesterday.

The warning came from the Ministry's regional information officer, Mr. John Evans. He said: "Winter months hold a terrible threat to poultry farmers who ignore vaccination. Last year was bad enough but the next few months could prove critical to the industry in the East Midlands."

The Ministry was starting a publicity campaign to get over the message, but "if farmers take no notice they must be prepared for the worst," he warned.

A second case of the disease this week was confirmed yesterday in Notts. at Corn Hill Farm, Kirklington. The running total for the East Midlands since last winter is now 1,070 cases.

Wool sale by sample in Australia

THE world's first commercial wool sale by sample was held in Canberra yesterday, reports Reuter.

Buyers from Australia, Europe, Japan and the U.K. sent in bids by telex or letter, basing their offers on technical description and samples of the wool displayed in Sydney and Melbourne. Some 96 per cent. of the wool was cleared with prices better than current auction levels, according to Mr. J. Maple Brown, chairman of the Australian grower-controlled broking company, Economic Wool Producers.

At the conventional auctions yesterday the Australian Wool Commission was again a heavy buyer taking 30 per cent. of the offerings at Sydney and 13 per cent. at Melbourne.

In Sydney, Federal Primary Industry Minister Ian Sinclair said the Commission had begun preliminary negotiations with several countries, including China, during last season, to establish more markets for selling stockpiled wool.

Guyana may switch bauxite sales agent

BY JOHN EDWARDS

NEW marketing agents for the sale of Guyana bauxite and alumina for next year, with effect from January 1, are understood to be Philipp Bros., part of the giant Englehard-Anglo American group.

Guyana Bauxite was formed earlier this year to take over the assets of the Demerara Bauxite Company (Demba)—a subsidiary of Alcan Aluminium of Canada—when it was nationalised by the Guyanese Government.

In June, Gerald Metals, of London, was appointed marketing agent for Guyana Bauxite for a period of six months and the company hoped it would retain the agency for a much longer period. However, there were many rivals for the agency.

Although no definite confirmation was available yesterday, the battle appears to have been won by Philipp's for at least part of the contracts. Philipp's is one of the world's biggest metal merchants with considerable resources and trading expertise.

At the moment selling of metal grade bauxite and alumina, the raw materials for producing aluminium, is extremely difficult because of the very depressed condition of the world's aluminium industry.

But Guyana produces some 90 per cent. of the world's calcined bauxite. That is still in good demand for refractories, and it is believed that package deals involving the sale of calcined are being used to promote sales of the metal grade bauxite and alumina.

Guyana is the world's fifth biggest producer of bauxite, which together with alumina provides the biggest single source of its foreign exchange earnings.

Reduction

Meanwhile Aardal og Sunndal Verk (ASV), Norway's biggest producer of aluminium, is planning to reduce output further next year due to overproduction, reports AP from Oslo.

Jean Michelet, general manager of ASV, warned that the present market conditions with low demand will probably last for another two or three years.

The company has already decided to reduce 1971 production by 35,000 tons. ASV's production capacity is some 300,000 tons a year, over half of Norway's total aluminium output.

Mr. Michelet said: "We must take into account that market conditions will make it necessary to carry into effect a considerable production reduction also next year." But it is still reasonable to expect increased demands for aluminium in the long run, he added.

The ASV group is owned by Alcan and the Norwegian Government on a 50-50 basis.

Antarctic whaling watchdogs

JAPAN, Norway and the Soviet Union have agreed to set up a watchdog system to oversee their whaling fleet operations in the Antarctic during the 1971-72 season.

Agreement was reached in Tokyo this week at a conference called to discuss the introduction of such a system. Each whaling fleet will be assigned one watcher. He will, however, have no power to suspend fleet operations should the whaling quota agreement be violated. He will simply report any infringements back to the International Whaling Commission in London.

Poultry import controls

By Our Commodities Staff

TO-MORROW sees the introduction of minimum import prices for poultry meat to protect the U.K. domestic industry now that veterinary import controls have been liberalised following the use of live fowl pest vaccine in Britain.

Two orders laid before Parliament yesterday put into effect the scheme announced by the Minister of Agriculture, Mr. James Prior, in July aimed at controlling imports of chicken, duck, turkey, goose and guinea fowl meat.

The minimum import prices specified will be supported by levies on any cheaper-priced imports.

The new arrangements do not apply to supplies from Denmark, which has agreed to keep its exports of poultry to Britain within agreed limits, or to Ireland, which is only a very small supplier at present.

Canadian newsprint shutdown

By Our Own Correspondent

MONTREAL, Sept. 29.

DOMTAR, the major Canadian pulp and paper company, plans to halt newsprint production at its Trois Rivieres mills at the end of next March involving the closedown of four of the six machines. Production of coated, publication and groundwood speciality grades will continue to be produced but more than 600 jobs will be eliminated out of the 1,000 workers currently employed in the mills.

The company is studying other ways to use the equipment. If markets become strong enough it might undertake a complete modernisation programme for its newsprint production.

The closedowns at Trois Rivieres are attributed to the higher value of the Canadian dollar, rising costs and slowed demand for newsprint.

Storms damage Brazil crops

RIO DE JANEIRO, Sept. 29.

PRESS reports reaching here say coffee crops were severely damaged by storms and hail during the week-end in the Parana coffee growing belt. No immediate estimate of damage is available.

In Toledo, Parana's wheat growing area, half the wheat crop—estimated at 15,000 metric tons—is reported destroyed.

In Santa Cruz, Rio Grande do Sul, one of the largest tobacco producing areas, the entire tobacco crop is said to be lost.

Reuter

Cocoa sinks to lowest level since 1966

BY GODFREY BROWN

ANOTHER milestone in the cocoa price decline was passed on the London cocoa terminal market yesterday when prices fell below £200 a ton. It is the first time since late 1966—before the devaluation of sterling—that cocoa has traded as cheaply as this.

Trading at under £200 a ton was confined to the near (September) futures contract which closed last night at £198 a ton, £7 down on the day, but the second (December) position was only slightly higher at £205.25, also £7 lower. Turnover was once again heavy at over 10,000 lots of five tons each for the second day this week.

Continuation

Yesterday's sharp fall was less the result of any new features than a continuation of a downtrend that has gathered pace this week.

Of this month's drop in values of nearly £40 a ton, £16 has occurred in the last three days.

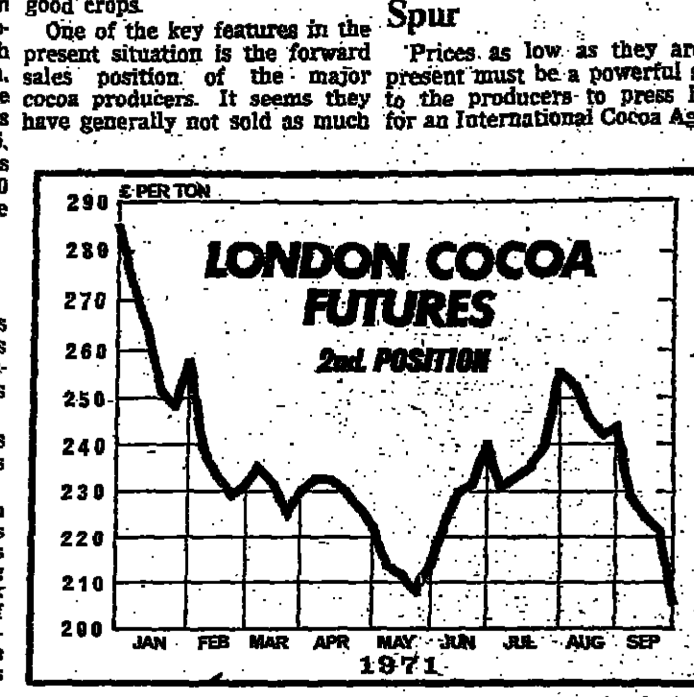
With very good main crops in the major cocoa growing areas of West Africa in prospect this season, consumption recovering only slowly from the setback caused by the high prices of the past few years, and the likelihood of another increase in surplus stocks, the market was already on the defensive.

But the massive outflow of confidence that has taken place this week was triggered initially by a news agency report that independent observers had forecast a big main crop in Ghana, the world's biggest producer, of between 375,000-420,000 tons, swiftly followed by selling from Nigeria, another big cocoa producer.

This has brought in its wake a wave of dealer and speculative selling and there have also been reports of more selling by the producing countries, too. In circumstances such as these a snowball effect gathers pace, with weakness adding to weakness, and selling leading to still more selling.

Charts of commodity price movements also apparently indicate that prices will move lower still, while some sections of the market are also reportedly expecting a further fall in values based on alleged outstandingly good crops.

One of the key features in the present situation is the forward sales position of the major cocoa producers. It seems they have generally not sold as much of their 1971-72 season crops as is usual at this time, with Nigeria reportedly to be particularly behind.



Views differ on the merits of deferring sales—in past months it has helped prevent the market from becoming overloaded with cocoa. But timing is crucial, and with the possible exception of Ghana, the producers are now finding themselves obliged to sell into a weak market.

Cocoa production over the past year has been a record, and the signs are that this year the crops will be even better—always assuming the weather stays favourable as it has so far.

But a change in the weather, an ever-present possibility in agricultural commodity, could alter the outlook considerably. This year, however, has been remarkable for the absence of alarms about crop damage.

Spur

Prices as low as they are at present must be a powerful spur to the producers to press hard for an International Cocoa Agreement, now being discussed at Geneva conference under UNCTAD auspices, as a preliminary to a negotiating conference hopefully next January.

Whether they also act as stimulant to consumption generally on a long-term uptrend—will also be keenly watched.

The most immediate indicator here will be the level of cocoa bean grindings during the third quarter of the year in the U.S., West Germany, U.K., and the monthly figures for the Netherlands, which together account for nearly half the world's consumption. All are due out in some days' time.

Egypt's cotton sales fall

BY OUR OWN CORRESPONDENT

CAIRO, Sept. 29.

THE DOLLAR crisis and floating of the yen have seriously disturbed Egyptian cotton sales to Japan, according to the chairman of an Egyptian exporting company. Japanese purchases are down by almost 20 per cent. from 88,000 bales last year, to some 71,000 this season.

Japanese spinners say that they anticipate a 20 per cent. drop in their exports to the U.S. as a result of the 10 per cent. import surcharge and the rise in their prices following the upward revaluation of the yen. Accordingly, the Japanese, who always buy at opening prices on the Alexandria market, have cut their purchases this year.

The position for sales to west Europe is not yet clear but a fall in sales is expected there as well.

Egyptian exporting companies are busily trying to make up the losses compared with last year's sales by opening new markets in Asia and South America. A deal has been concluded for 10,000 bales with Venezuela and the Egyptians are looking to the Philippines, Indonesia and South Korea, where American PL 480 supplies are no longer available.

They also hope to sell more to Taiwan and Thailand, which is now believed to be entering the market for better quality cotton.

The total Egyptian crop, of which some 60 per cent. is exported, is expected to be about 10.2m. kantar, approximately the same as last season. The area sown this year was down slightly but the yield was better as the widespread aerial spraying against the cotton pest was effective.

COMMODITY MARKET REPORTS AND PRICES

BASE METALS

COPPER—Lost further ground on the London Metal Exchange. Forward metal traded between £414 and £418 before closing at £416 on the late Kerb with business being curtailed by the Jewish holiday. Further Chinese inquiry and European consumer interest were still not heavy enough to overcome continued general selling although a slight rally in the late afternoon was brought about by a renewal of currency nervousness. Turnover 11,900 metric tons.

Henry Gardner and Co. reported that in the morning cash wirebars traded at £406.5, early-Oct. £409, 10, mid-Nov. £412, three months £417, 16, 17.5, 16, 15.5, 15, Cathodes: three months £405, 04.5, 04. Kerb: Wirebars: cash £406, 05, early-Oct. £407.5, mid-Nov. £410, three months £415, 14. Cathodes: cash £394, late-Dec. and three months £403. Afternoon: Wirebars: cash £406.5, 06, early-Oct. £407, 06.5, 07.5, three months £415, 14.5, 15. Kerb: cash £407, mid-Nov. £411.5, late-Nov. £413, three months £415 to 16.5. Cathodes: cash £395, three months £404.

COPPER	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Wirebars				
Cash	406-.5	—4.5	405.5-6	—3.5
3 months	415-.5	—3.75	414.5-5	—2.5
Settlem't	406.5	—4.5	—	.....
Cathodes				
Cash	395-6	—4.5	394.5-5.5	—1.5
3 months	404-.5	—4.25	403.5-4.5	—1.25
Settlem't	396	—5	—	.....
U.S.Smt.	—	.....	52.75-53	.....

TIN—Irregular. Initial buying of cash metal, thought to be on behalf of the buffer stock manager, brought in short covering and pushed prices higher. Later, however, the buying subsided and a reaction left cash metal little changed on balance while forward ended lower. Turnover 450 tons.

Morning: cash £1,407, 08, three months £1,415, 17, 18. Kerb: three months £1,415. Afternoon: cash £1,407, three months £1,417, 16. Kerb: three months £1,415.

TIN	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£		£	
Cash	1408 9	—1	1406-8	+.5
3 months	1417 8	—2	1415-6	—3
S'ment	1409	+1	—	.....
Straits E.	1441.03	—1.74	—	.....
New York	—	.....	166.17	.....

LEAD—Marginally firmer. Short covering following the recent sharp losses caused a moderate upturn in prices with forward metal closing at £93-[illegible] on the late Kerb. Turnover [illegible] tons.

Morning: cash £90.5, late-Oct. £91.5, three months £93, 93.25. Kerb: three months £93. Afternoon: mid-Dec. £93, three months £93.25.

LEAD	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Cash	90.25-.5	—.5	90.25-.75	—.25
3 months	93-.5	—.75	93-.5	+.25
S'ment	90.5	—.5	—	.....
N.Y. Spot	—	....	*14-14½	.....

ZINC—Steady. As with lead, short covering followed the recent losses. Forward metal closed at £124 on the late Kerb. Turnover 2,500 tons.

Morning: cash £120.25, early-Oct. £120.75, late-Oct. £121, three months £123.5, 23.75, 23.5. Afternoon: three months £123.5, 123.75. Kerb: three months £124.

ZINC	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Cash	120.25-.5	+.75	120.5-.75	+.125
3 months	123.25-.5	+.5	123.5-.75	.....
S'ment	120.5	+.75	—	.....
E.St.Louis	—	.....	17.00	.....

* Cents per lb. † On previous unofficial close

COCONUT OIL

Quiet and unraded, reports G. W. Joynson. Close: Nov.-Jan., March, May, July-Sept., Nov. £105-£115 (same). Turnover 0 (0) lots of 20 tons each. Price basis ex-tank Rotterdam.

COTTON

LONDON FUTURES—Unchanged, reports Eccles and Stern. Oct., Dec., March and May 20.40-20.50 new pence per kilo (unchanged). July unquoted. Turnover 0 (0) lots of 10,000 kilos each. Strict middling 1⅛ inch. Pressley 73,000 lbs square inch micronaire 3.5-4.9.

LIVERPOOL—Spot and shipment sales amounted to 1,050 metric tons, bringing the total for the week so far to 4,230 tons, reports F. W. Tattersall. Continued demand for African and Middle Eastern qualities was encountered bringing a larger offtake than for some time past. Spinners were also interested in new crop American varieties for forward shipment, as well as various Latin American growths.

SILVER

Silver was fixed 0.2p an ounce higher all round in the London bullion market, with spot at 56.1p (137.2c). A moderate business was done, and the spot price closed at about the fixing level.

SILVER per troy oz.	Bullion fixing (selling) prices	+ or —	LME close	+ or —
spot	56.1p	—0.2	56.1p	+0.35
3 months	56.9p	—0.2	56.95p	+0.1
6 months	57.8p	—0.2	—	.....
7 months	—	.....	58.25p	—0.05
12 months	59.8p	—0.2	—	.....

LME—Turnover 73 (127) lots of 10,000 ozs. Morning: Cash 55.9p, three months 56.9p. Kerb: Three months 55.9p. Afternoon: Three months 57.1p, 57p. Kerb: Three months 56.9p.

FREIGHTS

DRY CARGO—Market opened on virtually idle note under continued uncertainty over negotiations designed to prevent threatened dock strike on the Eastern seaboard and to halt current strike on Pacific Coast. Gypsum shippers fixed a cargo from Halifax to Savannah at $1.72 f.i.o. for Oct. followed by a cargo from Halifax to Tampa at $2.50 while a cargo of bauxite from Weipa to St. Croi paid $4 f.i.o. for Oct. Indian Government activity was at a standstill because of a national holiday. Time charterers opened for a vessel of 450,000/500,000 c.f. bale with a speed of about 14 knots and not exceeding 500 feet overall length, delivery Dunkirk Oct. 25-28, for a voyage to Madagascar, also for a vessel of about 12,000 d.w.t. for a voyage from Lourenco Marques to Japan, via port or ports, Oct. 1-15. Vessel of 9,000-12,000 d.w.t. required for a voyage from Burma to Calcutta Sept./Oct.

OIL TANKERS—Few fixtures with Persian Gulf rates still hovering around the Worldscale 40 level. Socal took a prompt 57,000-tonner from Persian Gulf, with options, at W.42½ and Mobil arranged an 50,000-tonner on October 2 from Persian Gulf again with options, at W.40, or to South Africa at W.42½. Shell fixed a 20,000-tonner for 12 months' time-charter from October at £1.455 per ton per month (equivalent to W.120).

COCOA

Values broke sharply again on renewed hedging, liquidation and short selling, reports Gill and Duffus.

COCOA	Yesterday's Close	+ or —	Business Done
No2Contract			
September	197.5-8.5	—7.5	196.0-203.5
December	205.0-5.5	—7.0	204.0-9.5
March	209.0-9.5	—7.5	208.5-14.5
May	212.0-2.5	—7.5	211.5-17.5
July	215.0-5.5	—8.0	215.0-21.0
September	218.5-9.0	—6.0	219.0-25.0
December	223.5-4.0	—7.5	223.0-8.5

Sales: 10,094 (5,126) lots of 5 tons each.

COFFEE

Futures, with the exception of the spot position, traded quietly within a narrow range. During late dealings near September was subjected to a renewed squeeze and as buyers sought to cover, the seller withdrew in a very thin market.

COFFEE	Yesterday's Close	+ or —	Business Done
	£ per ton		
September	398.0-9.0	—3.25	384.5-99.0
November	357.0-7.5	+0.5	356.5-7.5
January	353.5-4.0	+0.5	353.5-4.0
March	350.0-53.5	.....	350.5-1.0
May	348.0-8.5	+0.5	348.0
July	345.5-6.0	.....	346.0
September	343.0-3.5	.....	343.0-3.5

Sales: 260 (297) lots of 5 tons each.

Latest published ICO indicator prices U.S. cents per pound. Colombian Mild Arabicas 47.25 (47.25). Other Milds 42.67 (same). Unwashed Arabicas 42.38 (42.25). Robustas 41.75 (same). Daily average 43.06 (43.09).

RUBBER

ABOUT UNCHANGED at the opening, with scattered interest throughout the day. The close was on a quiet note. Lewis and Peat reported a godown price of 99½ Malayan cents a kilo (buyer, October).

Contract	Previous Day's Business	12.45 p.m. Official prices	Closing buyers' prices	Rise or fall
C.I.F.	p	p	p	p
Oct.	not avail.	13.5*-.75*	13.5*	+0.1
Nov.	not avail.	13.6-.5	13.6	+0.05
Dec.	not avail.	13.8-14.0	13.8	.....
Landed				
Spot	—	14.1-.9	14.1	.....
Nov.	—	14.75-15.05	14.75	.....
Dec.	—	15.05-.35	15.05	.....
Jan.	—	15.35-.55	15.35	.....
Jan.-Mar.	15.7-.8	15.65-.75	15.65	+0.05
Apr.-June	16.45-.65	16.3-.45	16.35	+0.05
July-Sept.	17.1	17.0-.1	17.0	.....
Oct.-Dec.	17.6-.65	17.55-.65	17.55	+0.05
Jan.-Mar.	—	17.85-18.0	17.9	+0.05
Apr.-June	—	18.2-.35	18.2	.....
July-Sept.	18.65	18.55-.75	18.55	.....
Oct.-Dec.	—	18.85-19.05	18.85	.....
Jan.-Mar.	—	19.05-.3	19.05	.....

* Nominal.

Malayan thick crepe Oct. 15.4 (sellers). Ceylon thick crepe Oct. 15.2 (sellers).

GRAINS

THE BALTIC—A limited quantity of optional denatured feed wheat traded for October to December shipments to the West Coast U.K. Some inquiry was noted for December transhipments of U.S. corn from the Continent but business was slow to develop.

Wheat: Canadian Western Red Spring No. 1 14 per cent. protein Oct. transhipment £30.70 seller East Coast, U.S. Hard Winter No. 2 13½ per cent. Oct. transhipment £28.70 seller East Coast, Australian f.a.q. Dec.-Jan. transhipment £27.00 seller free out Tilbury, French Oct.-Dec. £23.25 seller Levy Buyers' Account.

Maize: No. 3 Yellow American Oct. £23.15 seller Tilbury.

Barley: Canadian No. 2 Nov. Direct shipment £20.00 Avonmouth Levy Buyers' Account.

MARK LANE—Average sellers' quotations per long ton for prompt delivery London area. Wheat: Soft milling £24.50 to £25.00, semi-hard unquoted, hard £25.00 to £25.50 quoted, feed £24.25 to £24.75. Barley: Malting £25.00 to £30.00, feed £23.00 to £23.50. Oats: Milling £21.00 to £22.00, feed £20.00 to £21.00.

LONDON HOME-GROWN FUTURES—Wheat—steady. Close: Nov. 24.175, Jan. 24.525, March 25.025, May 25.600. Barley—steady. Close: Nov. 22.750, Jan. 23.450, March 24.250, May 25.000.

SOYABEAN OIL

Quiet, untraded, reports G. W. Joynson.

Soyabean Oil	Yesterday's Close	+ or —	Business Done
	£'s decimal long ton		
November	108.0-21.0	.....	—
January	107.5-17.5	.....	—
March	106.5-16.5	.....	—
May	105.5-15.5	.....	—
July	104.5-14.5	.....	—
September	103.5-14.5	.....	—
November	102.5-13.5	.....	—

Turnover 0 (0) lots of 20 metric tons each. Price basis ex-tank Rotterdam.

SUGAR

LONDON DAILY PRICE—Unchanged at £42.

Quotations were as much as 30 points lower at the opening with the selling coming mainly from one quarter, reports C. Czarnikow. A small recovery was made later, but from that point prices drifted lower as buyers retreated. The day's lows were reached mid-afternoon, but some profit-taking towards the end of the day, followed by keener buying at the close, lifted levels 5-10 points off the bottom.

Sugar Pre. Comm. Con.	Yesterday's Close	Previous Day's Close	Business Done
	£ per ton		
Oct.	43.40-.45	43.65-.70	43.45-.70
Dec.	44.15-.20	44.30-.35	44.10-.65
Mar.	45.15-.20	45.25-.30	45.10-.60
May	45.45-.60	45.65-.70	45.45-46.05
Aug.	45.30-.35	45.45-.50	45.30-.90
Oct.	45.00-.05	45.15-.25	45.00-.50
Dec.	45.00-.05	45.05-.30	45.05-.30

Sales: 1,441 (2,740) lots of 50 tons each.

Tate and Lyle ex-refinery prices for granulated in 1-cwt paper sacks were £84.25 (same) for home trade and £58.25 (same) per ton for export.

SUNFLOWER OIL

Quiet and unchanged, reports G. W. Joynson.

Sunflower Oil	Yesterday's Close	+ or —	Business Done
	£'s per long ton		
November	147.0-56.0	.....	—
January	146.0-54.0	.....	—
March	146.0-55.0	.....	—
May	144.0-54.0	.....	—
July	144.0-55.0	.....	—
September	144.0-54.0	.....	—
November	143.0-53.0	.....	—

Turnover 0 (0) lots of 20 metric tons each. Price basis ex-tank Rotterdam.

JUTE

DUNDEE—Quiet and few offers being made. Prices c.i.f. U.K. for Oct.-Nov. shipment: PWB £154, PWC £144.50, PWD £137. Tossa: PTB £162.50, PTC £152, PTD £144. Calcutta goods market closed. Yarns and cloth quiet but prices steady.

LONDON—Quiet. PWC grade Sept.-Oct. £146.50 nominal, PWD grade Sept.-Oct. £137.0 nominal. A long ton.

CALCUTTA—Closed for holiday.

WOOL FUTURES

MERINOS—Markets neglected, reports Bache.

Dry combed wooltops	Yesterday Close	+ or —	Business Done
October	75.0-6.0	+0.5	—
December	77.5-8.2	+0.3	—
March	77.5-8.3	—0.1	—
May	78.5-9.0	+0.25	—
July	78.5-9.5	+0.4	—
October	8.00-0.8	+0.3	—
December	80.2-1.0	+0.45	—
March	80.2-1.0	+0.5	—

Turnover 0 (1) lots of 2,250 kilos.

Greasy wool	Yesterday Close	+ or —	Business Done
December	56.0-7.5	+0.75	—
March	54.8-5.5	+1.15	55.0
May	54.3-4.8	+0.55	—
July	54.5-5.0	+0.5	—
October	55.5-6.0	+0.25	—
December	55.5-6.0	+0.25	—
March	55.5-6.0	+0.25	—

Turnover 1 (0) lots of 3,000 kilos IWTO clear wool content ex-Flushing.

SYDNEY—Steady. Close: Oct. 132.4-132.8, Dec. 135.4-135.8, March 137.5-137.8, May 138.6-138.8, July 139.2-139.3, Oct. 139.5-139.7, Dec. 140.2-140.5, March 140.4-141.0.

MEAT/VEGETABLES

SMITHFIELD — Beef: Scottish killed sides 17.0p to 19.6p, English hindquarters 20.0p to 21.5p, Ulster hindquarters 20.5p to 22.5p, forequarters 13.5p to 13.5p. Eire hindquarters 20.0p to 21.5p, forequarters 12.0p to 13.5p. Argentine chilled boneless cuts: strip loins 44.0p to 45.0p, rumps 39.0p to 40.0p, top sides 31.0p to 32.5p, silversides 28.5p to 29.0p, thicks 27.5p to 29.0p.

Veal: English fats 27.5p to 33.0p, bests 17.0p to 20.0p, mediums 12.0p to 15.0p, bobbies 3.5p to 12.0p, Scottish bobbies 8.0p to 10.0p.

Lamb: English medium 13.5p to 16.7p, heavy 10.8p to 12.5p. Scottish medium 11.7p to 15.0p, heavy 10.8p to 12.5p, hill 12.5p to 15.8p, Eire 10.8p to 12.5p. Imported frozen: New Zealand D's 13.5p to 14.5p, 2's 12.5p to 13.1p, S's 11.4p to 12.2p, YLs 11.5p to 12.3p, YMs 12.0p to 12.1p.

Pork: English, under 100 lbs 10.0p to 15.8p, 100-120 lbs 10.8p to 15.0p, 120-160 lbs 11.0p to 13.2p, 160-180 lbs 10.5p to 11.5p, 180 lbs and over 10.0p to 10.5p. Eire, all weights 11.4p to 12.5p.

Meat Commission average fatstock prices at representative markets yesterday: U.K.—cattle £11.52 per live cwt. (—0.08 on previous week), sheep 16p per pound e.d.c.w. (same), pigs £1.91 per score liveweight (—0.04). England and Wales—cattle numbers up 4.4 per cent., average £11.66 (—0.04), sheep numbers down 15.2 per cent., average 16.7p (same), pig numbers down 8 per cent., average £1.91 (—0.03).

COVENT GARDEN—Imported Produce: Grapefruit—Argentinian: 80 £3.10, 48 £3.20; Honduran: 32 £2.90, 35 £3.00, 40/48 £3.10, 56 £3.15, 64 £3.10; Dominican: 27 £2.85, 32 £3.05, 35 £3.15, 40/48 £3.40, 63 £3.10. Oranges—Brazilian: £1.50-£1.60; South African: Valencia Lates £1.70-£1.85. Melons—Israeli: Ogen £1.50; Spanish: yellow £0.80-£0.75, green £0.70-£0.80. Grapes—Belgian: Per pound Royal £0.20; Italian: 11 lbs Regina £0.50-£0.60; French: 10 lbs Alphonse £0.65; Almeria: 11 lbs £0.70-£0.75. Pears—Italian: Per pound Williams £0.06-£0.07. Plums—Hungarian: 13 lbs £0.50. Greengages—Spanish: £0.70-£0.90. Apples—French: Golden Delicious £2.10. Lemons—Italian: 100/120 £2.00-£2.25; South African: £3.00-£3.50; Turkish: £2.50-£2.90; Californian: £3.30. Avocados—South African: 12/20's £1.30-£1.50. Tomatoes—Jersey Per 12 lbs £0.40-£0.60. Onions—Spanish: £0.95-£1.00. Capsicums—Dutch: £0.16; French: £0.09; Hungarian: £0.07. Lettuce—Dutch: £0.70. Chicory—Belgian: 11 lbs £1.50.

English Produce: Cabbage—Nets £0.30-£0.40. Lettuce—Round: 24's £0.60-£0.70. Potatoes—£0.40-£0.50. Mushrooms—Per pound £0.20-£0.22½. Cucumbers—Per tray 12/18's £0.60-£1.00. Cauliflowers—12's £0.40-£0.50. Celery—20's £0.60, 25's £0.70. Beans—Per pound stick £0.03-£0.04. Carrots—25-lb bag £0.20-£0.25. Beetroot—Per bag £0.25. Courgettes—Per pound £0.08. Parsnips—25 lbs £0.25. Swedes—28 lbs £0.20-£0.25. Sprouts—28 lbs £1.00-£1.10. Onions—Ware £0.40-£0.50, Picklers 56 lbs £1.00. Apples—26/30 lbs Derby £0.60-£0.70, 30 lbs Worcester £0.60-£1.00, Bramleys £0.70-£0.80, Cox's £0.75-£1.50. Plums—Switzen £0.50-£0.60, Marjorie Seedling £1.05. Pears—Conference £0.03-£0.04. Tomatoes—Per 12 lbs £0.80-£1.00.

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COPRA—Philippines-Indonesian: Oct. $172, Nov. $176, Dec. $181½ resellers, Oct. $171, Nov. $175, Dec. $181, Jan. $180 paid.

PRICE CHANGES

Prices per ton unless otherwise stated.

	Sept. 29 1971	+ or —	Month ago
Metals			
Aluminium(a) (s)	£257.20	.....	£257.2
Copper			
Cash Wire Bars (s)	£405.75	—3.5	£445.75
3 months do. do. (s)	£414.75	—2.5	£455.75
Cash Cathodes (s)	£395	—1.5	£432
3 months do do	£404	—1.25	£442.25
Gold......Troy ozs.	$42.65	—0.50	$41.10
Lead Cash (s)	£90.5	+0.25	£89.75
3 months (s)	£93.25	+.25	[illegible]
Nickel (s)	£1,246.5	.....	£1,246.5
Platinum (b) troy oz	£50	.....	£50
Free market	£44½-47	.....	£46-49
Quicksilver (76lbs)	£213	.....	£212
Silver Troy oz.	56.1p	+0.2	60.4p
3 months	56.9p	+0.2	61.5p
Tin Cash (s)	£1,407	+.5	£1,431
3 months (s)	£1,415.5	—3	£1,459
Wolfram 22.04lb cif	$18-19.5	.....	$16-17¼
Zinc Cash (s)	£120.625	+.125	£129.875
3 months (s)	£123.625	.....	£133.625
Producers (s)	£150	.....	£150
Oils			
Coconut, Malayan	†£135(q	.....	£137
Groundnut			
[illegible]	†£181(y	.....	£188
Linseed Crude	†£105 y	.....	£106.50
Palm Malayan	†£106 z	.....	£118
Soyabean	†$290(t)	.....	‡
Seeds			
Copra Philipp. ton	†$176 (t)	—2	$173
Gr'dnuts Niger'n	£96(s)	—0.50	‡
Linseed Can No. 1	£45.05(h)	—0.50	£46.50
Grains			
Barley			
Can No. 2	£20	.....	‡
Home Futures	£23.45	+0.20	£23.075
Maize			
No. 3 Yellow Am.	†£23.15e	—0.10	£24.50
S.A. Yellow Flint	‡	.....	‡
Wheat			
No. 1 Red Spring	£30.70(s)	—0.10	£31.15
No. 2 Hard Winter	£28.70(s)	.....	£28.80
Australian	£27	—0.50	£27.50
English Milling	£24½-25	.....	£24½-25¼
Cocoa Shipmt (s)	£206.50	—5.50	£243.50
futures Dec.	£205.25	—7	£243.25
Coffee Shipment (c)	£455	.....	‡
futures Nov.	£357.25	+0.50	£364.25
Cotton Liverpool index cents per lb.	36.05	.....	35.80
Jute L.A PWC	*£146.50	.....	£146.50
Rubber .... Kilo	14.1p	.....	13.8p
Sisal EA 3L (s)	£68	—8	£82
Sugar	£42	.....	£43
Wooltops 64s ... Kilo	87p	.....	89p
Cloves (Madagascar)	£1,450(g	.....	£1,850
Pepper White ... ton	†£470(s)	.....	£485
— Black ... ton	†£367.5(p	.....	£370

* Nominal. † Seller. ‡ Unquoted. § Unofficial close. ♣ Indicative price. a Canadian delivered U.K. b U.K. and Commonwealth refined. c Uganda Robusta standard grade indicative price f.o.b. Mombasa. d Pakistan white. "C" to Ex-warehouse. s C.i.f. U.K. u Metric tons. v Sept. m Aug.-Sept. q Oct.-Nov. o Nov.-Dec. p Sept.-Oct. z Jan.-Feb. n Dec. h Dec.-Jan. y Feb.-March. e Oct. t Nov.

INDICES

FINANCIAL TIMES

Sept. 29	Sept. 28	Month ago	Year ago
78.32	79.18	83.05	87.37

(Base, July 1, 1952=100)

REUTER'S

Sept. 29	Sept. 28	Month ago	Year ago
502.9	504.6	515.7	559.1

(Base, Sept. 18, 1931=100)

DOW JONES

Dow Jones	Sept. 29	Sept. 28	Month ago	Year ago
Spot	138.00	138.58	141.48	146.68
Futures	139.64	139.56	142.15	144.62

(Average 1924-25-26=100)

MOODY'S

Moody's	Sept. 29	Sept. 28	Month ago	Year ago
Staple Commodity	361.3	361.5	360.4	413.1

(Dec. 31, 1931=100)

U.S. Markets

NEW YORK, Sept. 29.

COCOA again made new contract lows as hedge selling of West African origin attracted speculative selling. Failure to penetrate contract lows encouraged commission house short covering which erased early losses in copper. Soyabean complex closed lower with prospects of improved weather conditions and pessimism concerning impending East Coast dock strike, Bache reports.

Cocoa—Bahia spot 22½ (23). Ghana 25 (25½). Dec. 21.87 (22.45), March 22.35 (22.95), May 22.75, July 23.11, Sept. [illegible] Dec. 23.92. Sales, 1,385.

Coffee—Santos No. 2/3 unquoted [illegible] Santos No. 4 42.50 nom. (42.25 [illegible]) Colombian Mams 47.50 (47.75 asked).

Copper—Oct. 46.85 (46.75 settlement), Dec. 47.40 (47.25 settlements), Jan. [illegible] March 47.85. Sales, 692 lots.

Cotton—Contract No. 1 Nov. [illegible] (same), Jan. 24.50 bid (same), April [illegible] nom., June 22.00 nom. Contract No. 2: Oct. 31.43-31.50 (31.52), Dec. 32.[illegible] (32.01-32.04), March 32.98, May 33.[illegible] 33.22-33.24, Oct. 30.83-30.85, Dec. [illegible] March 31.15-31.25.

§Cottonseed Oil—Oct. 15.30-15.35 [illegible] Dec. 14.75-15.00 (same), Jan. 14.75-[illegible] May 14.80-15.05, July 14.85-15.10, [illegible] 14.50-14.95, Oct. 14.35-14.85. Sales, [illegible]

φGreasewool—Spot 51.5 nom. [illegible] Oct. 56.9-57.6 (55.8-57.0), Dec. [illegible] (60.3-61.0), March 65.5-66.5, May 67.[illegible] July 68.3-69.3, Oct. 69.1-70.5, Dec. [illegible]

†Lard—Chicago loose 11 asked [illegible] N.Y. drummed 14 asked (14).

††Maize—Dec. 113 (113-112½), [illegible] 117¼-117½ (117½-117¼), May 120¼, July [illegible] Sept. 123¼.

‡Mercury—Dec. 280, March 280, [illegible] 280, July 280, Sept. 280, Dec. 280 [illegible] ments. Sales, nil.

‡‡Silver—Spot 140.20 (138.90), [illegible] 139.50 (140.20), Nov. 140.30 (141.10), [illegible] 141.30, Jan. 142.30, March 144.40, [illegible] 146.50, July 148.60, Sept. 150.70, [illegible] 153.10, Jan. 154. 30 settlements. Sales, [illegible]

*Soyabeans—Nov. 310-310¼ (312½-[illegible]) Jan. 314-314¼ (318¼-318½), March 318¼, [illegible] 321¼-321½, July 321-322¼, Aug. 317½, [illegible] Sept. 298.

Soyabean Oil—Oct. 12.12-12.13 ([illegible] 12.24), Nov. 12.00 (12.16-12.17), Dec. [illegible] 11.87, Jan. 11.91, March 11.80, May [illegible] 11.75, July 11.69-11.71, Aug. 11.6[illegible] Sept. 11.38-11.48.

bSoyabean Meal—Oct. 79.25 (79.70-[illegible]) Nov. 80.20-80.30 (80.55½), Dec. 81.10, [illegible] 81.25-81.35, March 82.15-82.25, May [illegible] July 83.40-83.50, Aug. 83.00-83.05, [illegible] 79.00-80.10.

Sugar—Contract No. 11, spot [illegible] (same). Oct. 3.95 (3.98-4.00), Jan. [illegible] asked (4.59 nom.), March 4.66-4.67, [illegible] 4.73, July 4.76, Sept. 4.73, Oct. 4.7[illegible] Sales, 737.

Tin—164.50-167.75 asked (164.75-168.[illegible])

**Wheat—Dec. 145½-145¼ (144¾), [illegible] March 148½ (148¼), May 146, July [illegible] Sept. 139¼.

WINNIPEG, Sept. 29—¶Rye—Oct. [illegible] (87½), Dec. 88½ (89½ bid), May 93, [illegible] 95 bid.

¶Oats—Oct. 64 bid (64½ bid), Dec. [illegible] asked (64½ asked), May 64½ asked, [illegible] 67 nom.

§Barley—Oct. 101 bid (101½), Dec. [illegible] asked (100½), May 99½ asked, July [illegible] nom.

dFlaxseed—Oct. 225½ bid (228), [illegible] 227½ (229½ bid), Dec. 226, May 23[illegible] July 230½ asked.

Wheat—N. Manitoba No. 2 176-1[illegible]

All cents per pound ex-warehouse unless otherwise stated. * Cents per 60-lb [illegible] ex-warehouse. † Chicago loose [illegible] 100 lbs—Dept. of Ag. prices [illegible] day. Drummed $'s per 10 lbs f.o.b. [illegible] $'s per 76-lb flask ex-warehouse. [illegible] per 56-lb bushel ex-warehouse. [illegible] per 60-lb bushel in store. †† Cents per 56-lb bushel ex-warehouse, 5,000 [illegible] lots. ‡‡ Cents per troy ounce ex-warehouse. b $'s per short ton f.o.b. [illegible] c Cents per 47-lb bushel. d Cents per [illegible] bushel ex-warehouse, 1,000-bushel [illegible] lots. φ Basic Lubbock, Texas. [illegible]

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GRIMSBY FISH—Moderate supply, fair demand. Prices per stone [illegible] £1.20-£1.50, medium haddock [illegible] medium plaice £1.60, codlings 50p [illegible] 58p catfish 50p.

HIDES—Leeds: Prices still [illegible] little or nothing unsold. Second [illegible] 31-35.5 kilos 14.5p, 26-30.5 kilos [illegible] 22-25.5 kilos 16.5p, cows 25.5 kilos [illegible] under 16½p. First clear calf [illegible] (Withdrawn). No bid.

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هكذا من الأحول

American News

Strike may shut all U.S. ports from Friday

BY NICHOLAS COLCHESTER

NEW YORK, Sept. 29.

A COMPLETE shutdown of all U.S. ports seems only 24 hours away to-day. Officials of the International Longshoremen's Association last night authorised strikes at all East Coast and Gulf ports to start at midnight on Thursday if New York shippers go ahead with their plan to discontinue guaranteed income. The West Coast ports are already locked in a 15-week-old dispute.

The central bone of contention between the New York Shipping Association and the dockers is the guaranteed minimum wage. This was originally negotiated in 1965 and it provides the longshoremen with a fixed minimum income whatever the volume of cargo they are called to handle. The shippers have found this guarantee more and more of a burden as containerised shipping methods have trimmed loading times to one-fifth of their former levels.

Burdensome

They have now told the longshoremen that they cannot continue with the system after the strike deadline, *claiming* that they have not got the money to make the necessary payments. The ILA, in reply, has stated that the minimum income issue is the one issue over which they will call an immediate strike to-morrow. If management relents in its plans to do away with the system, the dockers will go on working while the other aspects of the negotiations, the hourly wage rates, their attitudes towards handling of containers, to the lighter-aboard-ship systems and so forth are haggled over.

The main minimum wage argument centres around the New York docks which have a system of benefit payments that the shippers find particularly burdensome. Under the existing contract the New York shippers are committed to a scale of benefits in addition to wages that are paid to the union's pension welfare and health funds. These benefits are based on an annual work load of 40m. man hours on the waterfront. Mainly as the result of the increase in loading efficiency, the workload has in fact fallen by 10m. man hours below this figure and so the employers have had to adopt a system of heavy extra charges to pay the agreed benefits. These charges have been separately agreed with the Federal Maritime Commission and this agreement expires to-night.

The employers have said that they are unable to meet the financial burden of continuing with the extra assessments. The seeming impossibility of continuing with the benefit scheme as it now stands is one cause of the New York deadlock. The other is a failure by both sides to agree on ways that work rules should be formulated to prevent abuse of the minimum wage system. Apparently some dockers are collecting wages while not making themselves available for work.

The current feeling in New York is that it is very unlikely that these issues will be unravelled before the strike deadline is passed. If that is the case, the U.S. will be faced with an unprecedented complete shutdown of sea trade. The only hope outside a day of extraordinarily constructive bargaining is that President Nixon reverses his previous decision not to use the Taft Hartley act to enjoin the strike. There is a chance that the longevity of the West Coast strike may encourage him to order the mandatory 80-day cooling-off period.

Argentine industry closed by strike

By Our Own Correspondent

BUENOS AIRES, Sept. 29.

PRESIDENT Alejandro Lanusse's efforts to achieve a "Great National Accord" as a preliminary to the general elections he has promised for March 25, 1973, received a setback to-day from a reasonably effective general strike. The State railways closed down at midnight, and industry is practically at a standstill also.

The strike, which the Government has declared illegal, was called by Jose Rucci, Secretary-General of the General Confederation of Labour (CGT), Argentina's overwhelmingly Peronist organised labour force.

The success of the strike is a Rucci victory inasmuch as with it he has reasserted the influence of labour in the Peronist movement. In recent weeks, Sr. Rucci's post in the CGT has been in jeopardy.

The strike was called to protest against among other things, the rising cost of living and the deterioration of the real wage and the continuing confinement of political and union prisoners. A possible next step for Sr. Rucci is a direct repudiation of President Lanusse's Great National Accord, which has the support of more conservative Peronist elements.

Pan Am offers to match Atlantic fares

NEW YORK, Sept. 29.

'AN AMERICAN World Airways announced to-day it would natch fares posted by its rivals n the highly competitive air outes across the North Atlantic eginning in February.

An airline spokesman said hat Pan American would run dvertisements in major newsapers to-morrow declaring its ntentions to meet any fares harged by fellow members of ne International Air Transport ssociation who fly between lorth America and Europe.

There will be no attempt to natch the still lower fares of harter carriers or Icelandic Airines, a regular scheduled airne that is not a member of ATA and has traditionally ndercut the prices argreed by hat organisation.

Because Lufthansa, the West erman airline had refused to ccept a proposed package of ew fares fixed by IATA its nembers will be free to charge hat they please from February.

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Fulbright puts amendment to chrome measure

WASHINGTON, Sept. 28.

ENATOR William Fulbright Dem., Ark.) introduced legistion to counter an earlier enate amendment calling for moval of the U.S. embargo on hodesian chrome imports.

The latest amendment to the ilitary Procurement Bill by e Senate foreign relations comittee chairman would give the resident authority to determine hether the U.S. should lift the nbargo and resume importing iromium ore from Rhodesia.

The Senate voted 46 to 36 in vour of an amendment by enator Harry Byrd (Ind., Va.) hich would force the U.S. to sume buying ore from Rhosia. However, the Military rocurement Bill to which it is tached still has to be voted by the Senate and also the ouse of Representatives.

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Canadian oil industry worried about reserves

BY OUR OWN CORRESPONDENT

TORONTO, Sept. 29.

THE U.S. could well have removed all import controls on Canadian crude oil by 1973, but unless major discoveries materialise in Canada the Canadian Government might have to limit to some extent the flow of oil to the U.S. for security reasons, in the view of Syncrude Canada. The opinion was expressed at a hearing before the Alberta Energy Resources Conservation Board by Syncrude officials and experts of its associated companies.

Syncrude is applying for a revised permit to build a synthetic crude oil plant with a capacity of 125,000 barrels daily on the Athabasca oil sands. It earlier received permission to build a plant with a capacity of 80,000 barrels daily, but wants this to be increased by slightly more than 50 per cent. Partners in the Syncrude consortium are Atlantic Richfield, Imperial Oil, Gulf Oil Canada and Canada Cities Service.

Syncrude experts said the oil industry had become somewhat "disillusioned" because of the lack of success in making a new major find.

The Board was told that previous estimates credited Alberta with ultimate oil reserves of between 22,000m. and 25,000m. barrels, but this may have to be scaled down to between 16,000m. and 19,000m. barrels. New additions to reserves in 1970 totalled only 53m. barrels.

Present known reserves in Alberta, exclusive of the Athabasca oil sands which are estimated to contain 300,000m. barrels, are estimated at 8,000m. barrels of readily recoverable crude with another 1,000m. in the probable category. This accounts for the bulk of Canada's estimated reserves of 10,200m. barrels, which include other hydrocarbon liquids as well as crude.

Uranium encouragement

BY OUR OWN CORRESPONDENT

TORONTO, Sept. 29.

CANADIAN uranium authorities are encouraged by the comments of Mr. Wilfrid Johnson, commissioner of the U.S. Atomic Energy Commission: before a congressional committee on defence production, suggesting a change in the U.S. Government's attitude toward uranium imports.

Mr. Johnson said "it would seem to be in our country's long-range advantage if we met a portion of our needs with uranium of foreign origin" and he suggested that the U.S. start reducing its large uranium stockpile, estimated at 50,000 tons of uranium oxide worth about $600m. Mr. Johnson did not say how this would be accomplished but added that it must be accomplished in a manner that maintained the viability of the U.S. domestic industry.

There are conflicting views in Canada as to the U.S. Government's reasons for wanting to reduce its stockpile. Some Canadian authorities view the proposed change as a way of dampening efforts by U.S. mining companies to increase the price of uranium. Others say it is a way of releasing government *funds frozen* in the stockpile. Whatever the reasons, it is thought that the U.S. will not *start* selling its stockpile for some time, possibly when the present U.S. embargo on imports for domestic use expires about mid-1973.

Canada's stockpile of uranium oxide is about 10,000 tons; France has between 7,000 and 8,000 tons and South Africa is thought to have between 5,000 and 6,000 tons. The Canadian Government has been subsidising uranium producers by stockpiling surplus production for some time.

Europe high on Nixon-Gromyko talks

WASHINGTON, Sept. 29.

PRESIDENT Nixon was meeting Soviet Foreign Minister Andrei Gromyko on disarmament and other issues to-day in an atmosphere warmed by several new U.S.-Soviet agreements. The two super powers joined yesterday in proposing a biological-weapons-ban treaty to the Geneva Disarmament Committee. Their two Foreign Ministers will sign accords here to-morrow on modernising the Washington-Moscow hotline and on avoiding accidental nuclear war.

But optimism from these developments and the historic Big Four Berlin agreement signed on September 4 is tempered by significant differences still remaining on a host of important subjects. On European security the Kremlin has been less forthcoming than U.S. officials had hoped.

To-day's session is the President's first talk with a high Soviet envoy in a year.

U.S. diplomats say the Soviets have not yet made clear in what fashion they think East-West negotiations on European Security subjects should be conducted.

They say Moscow has failed to specify so far, for instance, whether the proposed European Security conference and mutual-force-cut talks should be carried out together or separately AP

Senate vote to build Harrier in U.S.

By Guy de Jonquieres

WASHINGTON, Sept. 29.

A PROPOSAL to switch production of the Harrier VTOL military aircraft from Britain to the U.S. has been narrowly approved by the Senate.

The Senate action, which was approved by a 40-40 tie vote, is in conflict with a recommendation in the House of Representatives' version of the Defence Procurement Bill which specifically provides for continued construction of the aircraft in the U.K.

The differences between the two Houses of Congress will have to be settled when their two armed services committees meet in conference to hammer out a compromise. Last year, members of the House forced the Senate to delete an exactly similar proposal, and the close vote in the Senate yesterday suggests that the proposal's chances of survival are fairly slim.

The principal argument likely to be used against the Senate recommendation is that transfer of Harrier production—to the McDonnell Douglas Corporation in St. Louis—would cause a large increase in cost.

It is generally estimated that if the aircraft were to be made in the U.S., the unit cost would rise by at least 50 per cent. Sen. William Saxbe, an opponent of the Senate action, has suggested that the total additional cost could run to about $275m.

The Senate recommendation calls for an authorisation of $23.7m. to cover the cost of starting the transfer of production this fiscal year. However, this sum is considered symbolic in view of the much larger outlays that American production would require.

The U.S. Marine Corps has agreed to purchase 118 Harriers over a five-year period, and the Navy is understood to have shown some interest in the aircraft as well. Production of the first batch of 30 is already well underway in the U.K. and a number of aircraft have already been delivered.

NEW MEXICAN POLITICAL GROUP

By Our Own Correspondent

MEXICO CITY, Sept. 29.

A GROUP OF Mexican intellectuals, student representatives and labour leaders has formed a new left-wing political organisation intended to give the people "a real voice" and challenge the ruling Institutional Revolutionary Party's 42-year monopoly of power.

Although all the leaders are well-known leftists, the group stressed they had neither name nor platform at the moment. "That would be too easy," one of them said. "Throughout Mexican history, parties and programmes have been imposed from above. What we are trying to do is more authentic and difficult.

CANADA AND THE U.S. IMPORT SURCHARGE

A bill to save jobs

BY JAMES SCOTT, TORONTO CORRESPONDENT

ON THE basis of a survey of 1,300 companies, the Canadian Government has estimated that as many as 90,000 Canadians could lose their jobs if the U.S. import surcharge remains in effect for a full year. For shorter periods, the number of affected workers would be smaller, but the impact would be relatively sharper. For instance, if the surcharge lasts for three months it could cost *40,000 jobs*, with the loss of an *additional 30,000* if it continues for six months. The potential additional loss of *20,000 jobs during the following* six months indicates a levelling out of the unemployment effects of the U.S. programme as the maximum impact is approached. The Government based its projections on a potential loss of $900m. in export sales and calculated that $10,000 in annual exports is the equivalent of one job.

These are gross figures. They make no allowance for any offsetting employment gain in Canada that might result from the U.S. programme to stimulate its own economy or from the depreciation of the Canadian dollar that has taken place since August 15 relative to major overseas currencies, which will have at least a modest positive effect on employment and production, since it will make Canadian goods somewhat more competitive at home and abroad. It is not expected that these factors will fully offset the negative effects of the surcharge, but it is likely that the net job loss would be significantly less than the gross figures quoted by the Government.

Critical

To save as many of these jobs as possible, the Government introduced legislation that will make available $80m. this year to companies that exported at least 20 per cent. of their output to the U.S. within any 12-month period between April 1, 1969, and August 15, 1971. The grants would offset up to two-thirds of the 10 per cent. U.S. surcharge on imports. The Bill, known as the Employment Support Act, yesterday received House of Commons approval and now goes to the Senate where speedy passage is expected.

A critical question now is whether the U.S. will accept the Canadian Government's official explanation that the Bill is purely and simply an employment programme and not a profit maintenance scheme or an export subsidy. Whether or not the U.S. will accept this explanation is unclear. Mr. Paul Volcker, U.S. Treasury Under-Secretary, has said the U.S. Administration is watching the Canadian Bill carefully and if it is construed as a form of retaliation against the U.S. surcharge, countervailing measures would be taken.

Washington officials have been cautious about what interpretation they might put on the Bill. Presumably they are waiting to examine the detailed regulations and to learn how it will be administered. The Treasury Department may decide that the grants are a device to enable Canadian *exporters to lower their prices* sufficiently to hurdle the 10 per cent. surcharge. Washington might then impose additional duties. *This possibility is recog*nised by the Federal Government. Prime Minister Pierre Trudeau has said that Canada has contingency plans that will be brought into play "if the worst should happen" and the U.S. acts to counter the Canadian measures. He refused to spell out the contingency plans.

There appears to be some risk that the worst will happen unless the Bill is administered in a way that precludes price-cutting by exporters. The problem is that it may be difficult to operate the programme without giving at least the appearance of an export subsidy. There is nothing in the Bill to prevent exporters from using the grants to reduce their prices to U.S. buyers and the seven-man board that will administer the measure will not be in a position to control price cutting.

According to some observers, the Canadian programme not only permits price reductions but is based on the presumption that prices will be reduced to the extent of the extra U.S. tariff. For some products it may be possible to raise the laid down price sufficiently to cover the charge without seriously affecting demand. This is permitted, despite the U.S. price freeze, to the extent needed to pay the surcharge. In this case there would be no need for an exporter to claim the Canadian employment grant. If the higher laid-down price curtailed U.S. sales and therefore threatened to reduce production and employment at the Canadian plant, the exporter could presumably claim the grant and so reduce his export prices by absorbing the surcharge. It may be argued that by absorbing the surcharge the Canadian exporter is in fact reducing his price at the factory door. However, the U.S. programme evidently contains nothing that would prevent any foreign supplier from absorbing the surcharge.

Oddly enough, U.S.-owned companies operating in Canada will probably draw most of the $80m. set aside for the rest of this year. The legislation setting up the fund does not discriminate in favour of Canadian-owned companies, nor could it. If foreign subsidiaries were to be excluded, few companies would be left to do any trading with the rest of the world, since nearly 60 per cent. of the Canadian manufacturing industry is foreign-controlled.

Unemployment

The need for an employment support programme, even if the Government's estimates overstate the net unemployment effects of the U.S. surcharge, was emphasised by the release last week of unemployment figures for August. With 455,000 persons unemployed, the seasonally adjusted unemployment rate rose to 6.5 per cent. from 6.3 per cent. in July because more young people than usual remained in the labour market. The employment survey was taken immediately after President Nixon outlined his new economic measures on August 15 and therefore do not show any impact of the U.S. moves on the Canadian economy.

Both Prime Minister Trudeau and Manpower Minister Otto Lang emphasised that one important factor in the stubbornly high unemployment rate was an unprecedented surge in the size of Canada's labour force. (It is growing more rapidly than the population itself and more rapidly than in any other country of the Western world, as more women and young people decide to enter the labour market.) Canada, therefore, is in a poor position to absorb any additional unemployment resulting from the U.S. surcharge.

Although the Employment Support Act was hastily thrown together to meet the U.S. moves, it will remain on the books even if the surcharges are removed immediately. Mr. Jean-Luc Pepin, Minister of Industry, Trade and Commerce, said while introducing the bill that Canada must have standby means to defend itself against the action of other countries. The bill allows the Government to put up any amount of money in future years for "employment stabilisation." The funds would be provided through the budget of the Department of Industry, Trade and Commerce. The initial $80m. provided for now must be spent on jobs. Manufacturers will have to maintain employment levels, though not necessarily at any predetermined level. But in future, payments could be made on different bases.

Export News

S. Korea to spend $70m. on tankers

By Our Own Correspondent

SEOUL, Sept. 29.

SOUTH KOREAN shipping companies are seeking foreign credits to import eight tankers of the 200,000-ton class worth a total of about $70m. for use in transporting crude oil from the Middle East to Korea.

Several companies have already submitted project plans to the Ministry of Commerce and Industry under a Government policy of "Koreanising" oil transport to Korea, according to the Ministry.

The Government recently granted foreign crude oil suppliers, now all American companies, a 43.7 per cent. increase in the freight charges for their commodity on condition that Korean-owned tankers be used for transportation.

Most of the crude oil supplied by Gulf Oil, Caltex and Union Oil of the U.S. comes from Kuwait and South Arabia. At present, Korean tankers with a combined tonnage of about 300,000 tons are hired by the American companies.

It is not decided from what countries the additional tankers will be imported and whether new or used tankers will be purchased. But the U.K. is one of the countries from which purchases are being considered.

Licence for process to treat sewage

BRITISH TECHNOLOGY and patent rights for the biological treatment of sewage and other wastes by diffused air are to be made available in the U.S. under an agreement signed between Activated Sludge of London, a Hawker Siddeley company, and The Norton Company of Worcester, Massachusetts.

Ceramic diffusers made by Norton's U.K. subsidiary have been used by Activated Sludge for more than 30 years.

THE COMMON MARKET

Publishers told to plan for big trade boost

BY HAROLD BOLTER, INDUSTRIAL CORRESPONDENT

THE U.K.'s printing and publishing industry has been told that it can expect a rapid growth of its trade with the European Economic Community countries if Britain enters the Common Market.

A draft report from the printing and publishing Little Neddy—now in abeyance—points to the fact that there was a threefold increase in French imports of commercial printing from other EEC countries between 1965 and 1969, when this business was worth £20m.

The report, circulating privately within the U.K. industry, maintains that specialist printers can benefit from the expanded tariff-free market considerably if they prepare for entry carefully.

Shop around

Print buyers on the Continent as well as in the U.K. itself are prepared to buy from the company which suits their particular needs, regardless of geographical location, it says.

Printers should review their overall business strategy in anticipation of Common Market membership, in anticipation of the likely fact that buyers will shop around even more than they do at present, the report declares.

It also suggests that expansion of the Community will create a demand by EEC manufacturers for advertising material aimed at the British market. To secure this work British printers could base their sales approach on their knowledge of promotional print requirements in the U.K. market.

Exports by the U.K. printing and publishing industry totalled £122m. in 1970, of which publishers' exports accounted for £104m. Direct exports by printers came to £18m.

The value of exports rose faster that the value of imports rose last year for the third successive year. The rate of growth of trade, at 10 per cent. for exports and 7 per cent. for imports, was about half that in 1969.

Total exports by the industry were worth £89.5m. last year, a 10 per cent. increase on the 1969 figures. Imports were valued at £45.5m., a little under £3m. more than in the previous year.

West Germany, Netherlands, Italy and the U.S. are the main competitors for British printers, and the Netherlands and Italy both made further inroads into the U.K. market last year. Sweden and Hong Kong also improved their competitive position.

While books saw an export growth of only 4 per cent. in 1970 (partly because of the increasing commercial and political pressure to set up publishing houses abroad), overseas sales of newspapers and periodicals rose by 28 per cent. The biggest rise was to the U.S. where sales jumped from £434,000 to some £3m.

However, imports also increased by 27 per cent., Italy moving into first place as supplier.

Guide to German law on electrical interference

BY DAVID CURRY

EARLIER this year West Germany extended the scope of its already stringent regulations designed to minimise radio and television interference from electrical equipment.

The Technical Help to Exporters service of the British Standards Institution has published the regulations as Technical Digest No. 6D Series 2, Issue 1.

Hitherto, West German laws on suppression of radio interference by electrical equipment have applied only to high frequency apparatus, mainly for industrial use, which generates frequencies of 10 kHz to 3,000 kHz, but the law now covers all types of equipment outside these frequencies which includes many kinds of domestic appliances for cooking, heating and lighting, installations incorporating switching mechanisms, agricultural and horticultural equipment and high tension ignition systems for internal combustion engines in all types of land and water vehicles and static power units.

All this equipment must be tested and any operation, whether intentional or inadvertent which contravenes the law is punishable by a fine of £1,150. The equipment may also be confiscated.

All the German codes and specifications mentioned are available on sale or loan from THE which can also supply translations in some cases. Digest 6D is available free to members of THE within the U.K. and available to non-members at £3 per copy.

System building in Far East

EXPORT opportunities for British system buildings and components in Japan and Hong Kong are considered in a report published by the National Federation of Building Trades Employers.

The report covers the findings of a trade mission organised by the Joint Committee of British System Builders and Component Manufacturers to Japan and Hong Kong in April and May.

It urges further trade missions to tackle the large and fast-growing construction market in Japan, as well as to South Korea, Formosa, Hong Kong, The Philippines and Indonesia.

The report also suggests that the Department of the Environment should consider appointing an environmental attache to the British Embassy in Tokyo, and recommends that inward trade missions to Britan from Hong Kong and Japan should be encouraged.

A series of appendices gives full information for British building and component companies interested in exporting to the Far East, particularly for future housing, hotel and hospital projects in Hong Kong.

Tractors to Ceylon's rice fields

ONE THOUSAND tractors, together with implements and spares, worth nearly £1.2m., have been ordered from Massey-Ferguson's Coventry plant for Ceylon by the Sri Lanka State Trading (Tractor) Corporation. Shipments from the U.K. have started, and they will be completed in December.

The Government - financed order arises from a British loan administered by the Crown Agents in London. The tractors are required quickly for this winter's rice paddy cultivation. Increased productivity in this crop is needed to help reduce imports and so conserve foreign exchange earnings largely derived from agriculture through exports of tea and rubber.

More than 10,000 MF machines have been sold in Ceylon since 1950, and over the past six years Ceylon has been buying MF tractors at an average rate of nearly 800 a year, representing over 73 per cent. of all tractor imports during the period. In 1970, MF presented proposals to the Government for establishing tractor facilities in Ceylon.

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British Leyland has won a £262,000 order for 324 tractors from the Long Manufacturing Company of Tarboro, North Carolina.

Thompson opens its score in Scandinavia

THE Wolverhampton-based Friction Welding Unit of the Clarke Chapman-John Thompson Group has secured a contract for the supply of a complete friction welding system to Volvo-Olofstrom Werke.

The contract covers the design and manufacture of a double-ended 100-ton machine to be installed at Volvo's Olofstrom plant in Southern Sweden, for the welding of heavy rear axle assemblies.

This contract brings the total value of export orders secured by the friction welding unit so far this year to almost £500,000, made up of orders from many of Europe's major motor manufacturers, including Citroen, Fiat, Peugeot and Ford.

In 1970 the unit increased its export market by 65 per cent. and indications so far suggest that the figure will be doubled this year.

This machine is the first of its kind in Scandinavia.

Owen lift-off in Formosa

OVER £500,000-worth of Owen Karricon straddle carriers, designed and manufactured by the contracts division of Rubery Owen and Co., Darlaston, Staffs., have been sold to Formosa.

Four Karricons have been ordered for container handling at Keelung harbour. Seven other Karricons will go into operation at Kaohsiung harbour, at the other end of the island. The machines, models 3042 and 3043, are fitted with telescopic spreaders to handle containers of any size.

In addition to the Karricons, the company has sold two Owen Travelift models 650s (straddle transporter cranes) to Taiwan Railways for road-rail container operations.

BAC wins U.S. space order

THE British Aircraft Corporation's Electronic and Space Systems Group has been awarded a contract by COMSAT of the U.S. to study the effects of the atmosphere on the signals received from communication satellites. The resulting information is to be used in the design of cost-effective communication satellite systems to operate in the 10-40 GHz frequency range.

The Science Research Councils' Radio and Space Research Station, Slough, will be acting as adviser to BAC. This is the first contract BAC has received from COMSAT which acts as manager for the 80-member International Telecommunications Satellite Consortium.

IN BRIEF

Thor Cryogenics has added three new instruments to its range of cryoelectronics. They are the Series 3010 Wide Range Temperature Controller, the Series 9000 Integrating Magnetometer, and the Series 8000 Liquid Helium Level Indicator/Controller.

The Series 3010 unit is capable of maintaining a set temperature to within a fraction of a degree at any temperature from 1°K (—459°F, —272°C) up to any achievable furnace temperature. Any device which provides a change in electrical potential/resistance with temperature may be used as a sensor.

The Series 9000 Magnetometer is capable of measuring magnetic field at any field magnitude and at any temperature in which the sensing probe can still exist.

The Series 8000 Liquid Helium Level Indicator/Controller provides continuous linear level monitoring at an extremely low probe dissipation (less than 10MW). Probe resolution is ± 0.5 mm and read-out is quite stepless.

The Midland Glass (Holdings) subsidiary Hill Brothers Glass Co of Birmingham, has been awarded a contract for the manufacture, supply and erection of bronze anodised aluminium windows, sliding doors and toughened Panotuff bronze glass assemblies with toughened glass fins, for Sultan Qaboos. Bin Said's summer residence at Sib, Oman.

Business schools' new deal urged

By Michael Dixon

BUSINESS COMPANIES should stage a consumer revolt against "take it or leave it" attitudes in university business schools, 100 businessmen were told yesterday by Mr. Trevor Owen.

Mr. Owen was leader of the tribunal which produced this summer's controversial Confederation of British Industry-British Institute of Management report on Business Education.

Working managers criticised business schools, Mr. Owen declared at an Industrial Society "action lunch" in London. Yet, if the schools were not supplying what industry wanted, it was largely industry's own fault.

Money and pressure from industry had created this country's business schools. Even so, many companies viewed the money they had given not as an investment but as a charitable donation. Other companies complained about the schools, but would not co-operate with them.

Business concerns should use their purchasing power to draw the schools away from concentrating on academic aims towards the object of improving business effectiveness, Mr. Owen suggested.

Action plan

He proposed a six-stage plan for company action:—

The chief executive should list the six main areas in which his company's management skills needed improving.

The personnel manager should take the list to the five or six management schools which he thought best able to help.

The personnel manager should choose the one or two schools which responded with the most convincing mixture of enthusiasm and relevance.

The personnel manager and the schools should make a detailed plan for co-operation.

The joint plan should be discussed with the company Board.

The plan should be revised as necessary, and put into force.

Samuel Props. £4m. London development

SAMUEL PROPERTIES is to lease from Westminster City Council a 3-acre island site at Porchester Square for a £4m. development.

The scheme will provide 50,000 square feet of commercial space, comprising a supermarket and supporting shopping, a restaurant and a public house, 10,000 square feet of air-conditioned offices together with 182 duplex apartments, flats and 54 patio houses and a car park at basement level for 250 cars.

Approximately half an acre has been reserved for a public library with residential accommodation over, which will be integrated into the over-all design.

English hotels busier in July

THE AVERAGE English hotel had 65 per cent. of its bedspace filled in July—an increase of 5 per cent. on June.

The Midlands was the only area not to experience an increase in demand, the English Tourist Board reported yesterday.

At seaside resorts, the percentage of beds occupied increased 6 per cent. to 72. In the rest of England, the figures were: 54 per cent. in towns of more than 100,000 people; 55 per cent. in towns of 10,000-100,000; and 57 per cent. in the more rural areas.

London hotels had the highest occupancy rates. The proportion of bedspace filled in Central London rose 10 per cent. to 88 per cent.

Law Reports

Maxwell judgment may be to-day

AFTER AN eight-day hearing, legal argument was concluded in the High Court yesterday in the claim by Mr. Robert Maxwell, the former Labour MP, for temporary orders halting a Department of Trade and Industry inquiry into two companies with which he had been concerned.

Mr. Justice Forbes said he hoped to give judgment this afternoon.

Mr. Maxwell contended that an interim report by Department inspectors into Pergamon Press and International Learning Systems Corporation was unfair to him because he had not been given a proper opportunity to rebut material upon which the inspectors had based their conclusions.

He wants an action which he is bringing against the Department and the Inspectors, Mr Owen Stable, QC, and City accountant Sir Ronald Leach, to be heard first.

In that action he seeks declarations and orders stopping defendants from continuing with such parts of the inquiry as might be concerned with any of his acts or omissions.

Sporle: judgment reserved

THREE Appeal Court judges reserved judgment yesterday on the appeal by Sidney Frederick John Sporle, 49, against conviction on four corruption charges and against his six-year jail sentence.

Sporle, a former Mayor of Battersea, was convicted at the Old Bailey on March 24 on seven counts, against three of which he did not appeal.

The judges also reserved their decision in an appeal by heating engineers Andrews Weatherfoil, of Slough, Bucks., against conviction at the same trial of corruptly offering Sporle an advantage. The company was fined £10,000 and ordered to pay £3,000 costs.

Also reserved was the court's decision in an application by construction engineer Peter George Day, 41, of Spinney Lane, Alconbury, Hunts., for leave to challenge his conviction of corruptly offering Sporle £500 to promote the interests of a firm of construction engineers. Day was jailed for 18 months.

Both Day and Weatherfoil complained of misdirections by the trial judge and they also alleged that the defence was not properly put to the jury.

Building activity slows down in July

BY MICHAEL CASSELL

THE OVERALL level of building activity in the U.K. during July was marginally lower than in the same month last year, according to the National Federation of Builders' and Plumbers' Merchants.

The federation's latest monthly survey among its members, who represent 95 per cent. of all builders merchants in the U.K., shows that activity fell by just 0.8 per cent. from the level recorded in July, 1970.

Figures from the federation in June had shown a 4 per cent. improvement over the same month last year, but the latest statistics would seem to suggest a slowing down in the higher levels of activity recorded earlier in 1971. In the first seven months of this year, however, the volume of output remained higher with an increase of 6.8 per cent. on the same period of 1970.

Regional pattern

There are marked variations in the regional pattern of activity and, despite the overall drop for July, two regions recorded rises. Worst hit was the Midlands where a drop of 9.5 per cent. was recorded during the month.

The regions which experienced a rise in building output were London and the South East (up 2.7 per cent.) and the South West and South Wales (up 7.3 per cent.).

Mr. R. Williams, director of the federation, said that despite a dramatically good start to the year, there were now clear signs of a tailing off in the level of improvement in activity levels.

"Perhaps this is not surprising when one considers that building is the second largest industry in the country and must, of necessity, reflect the overall national economic situation, which is far from clear.

"A very good balance of payments situation coupled with very high unemployment makes for a confused situation, and there can be little doubt that the relatively poor performance by the building industry during July is a measure of this confusion."

Credit terms for insurance premiums

J. H. VAVASSEUR AND CO. has set up a subsidiary, Premium Assured, to offer credit terms for insurance premium payments. Mr. George Humble, managing director of the new company, said in London yesterday that the service would help the cash flow of both insurance brokers and their clients.

There was "an inevitable tightening of credit arrangements between insurance companies and insurance brokers." Lloyd's had already sent a document telling brokers that credit would have to be shortened, Mr. Humble said.

He did not think the expansion of loans by the joint stock banks would offer serious competition. "The banks had a habit of turning the credit tap on and off" and growth companies had competing needs for available finance.

Premium Assured was formed at the beginning of 1971 with initial capital of £120,000. The postal strike had delayed the scheme but business was now "increasing rapidly." Some £40,000 worth of quotations had gone out from the company in the first three days of this week.

Interest charges made by the company for premium finance varies according to the repayment period but the true rate of interest was just over 13 per cent., Mr. Humble stated.

European News

IN BRIEF

● PORTUGUESE security authorities in London announced yesterday hat 29 alleged Communists are being sent for trial in connection with the activities of Armed Revolutionary Action, a clandestine urban guerilla movement which has claimed responsibility for recent acts of political sabotage. The 29 include one woman and also Senhor Daniel Cabrita, a leader of the Portuguese bank employees' union whose detention since June has led to violent protests in central Lisbon.

● ICELAND'S Foreign Minister Einar Agustsson said yesterday at the United Nation's that his government's decision to extend its coastal fisheries limits was made because of the threat of foreign fleets moving into Icelandic waters and harming the country's economy.

● YUGOSLAVIA will stage its largest military manoeuvres—since the Second World War—in the western regions of the country next week, according to Communist sources in Belgrade.

● SWITZERLAND'S Parliament completed approval yesterday of the Government's new special powers in defence of the national currency. The Government was given full central authority over the country's financial establishment to guard against massive currency speculation that could endanger the stability of the Swiss franc and the economy.

Moro to go to Malta

By Our Own Correspondent

VALLETTA, Sept. 29.

ITALY will be the first NATO country to open direct talks with Malta over future economic support to maintain the alliance's link with the island. Sig. Aldo Moro, the Italian Foreign Minister is expected to arrive here early next week for talks with Mr. Dom Mintoff which would clarify the Malta Government's position on future ties with Italy and its preparedness to allow NATO fleets to visit Malta.

The visit will be at Mr. Mintoff's invitation, Sig. Moro told the Italian Parliament last night.

Mr. Mintoff, who has shown himself against creating any military arrangements with Italy, will be told of the economic aid Italy is prepared to offer. Malta already owes Italy £2.5m. loaned for a power house project and the setting up of a direct telephone link and part of Sig. Moro's offer may be to cancel the debt.

But the Maltese Premier expects a more concrete offer than technical assistance from NATO members if he is to temper his enthusiasm for the alliance's withdrawal from Maltese ports

Mr. Mintoff himself, last night told the House of Representatives that there is no intention to renew the sterling guarantee accord with Britain unless a much higher ceiling for diversification is allowed. Under the previous agreement Malta was allowed to switch not more than 25 per cent. of its £87.7m. official reserves held in Britain.

Unemployment, price rises spark off Italian unrest

BY OUR OWN CORRESPONDENT

MILAN, Sept. 29.

ITALY is faced with a new wave of labour militancy as growing unemployment and rising prices strike at the basis of the higher wages and improved working conditions obtained in the national labour contracts negotiated after the hot autumn of 1969.

Complaining

The first of what is likely to be a new wave of labour demonstrations is planned for tomorrow in Milan where Pirelli workers announced a demonstration against short-time working and the company's call for voluntary redundancies. They will be joined by an estimated 40,000 engineering workers from Milan's industrial suburbs who are complaining about the recent sharp rise in food and other basic prices.

The spectre of short-time working is now growing in the hitherto prosperous full employment area around Milan. Magneti Marelli announced to-day short-time working for 90 per cent. of the 530 workers employed in radio and television output, which is currently a deeply depressed sector.

Fortunately the automobile industry seems at present immune from short-time and the battery and other car component divisions of Magneti are working normally. However the Snia Viscosa synthetic fibre company also announced a two-hour cut in the working week for 400 maintenance men and heavy cuts to between 16 and 32 hours per week for 140 workers involved in the phasing out of rayon production.

The number of workers on short-time has now risen above 50,000 following the large-scale reductions announced by Zanussi and Pirelli earlier this month. The total on short-time at Zanussi will shortly rise to over 9,000 out of a total labour force of 29,000 and a fierce battle is expected here as unions have protested the measure as against the spirit of a laboriously agreed labour contract signed three months ago after heavy strikes.

According to the unions Zanussi is trying to cut costs and raise productivity without new investment in machinery and they have forecast partial strikes and a generally uncooperative attitude towards higher productivity.

The 10 per cent. U.S. import surcharge and currency uncertainties have contributed to the increasing short-time. This is well illustrated by the Maserati luxury car company at Modena which announced an eight-hour reduction in the working week for 370 of its 600 workers because of a sharp drop in orders from the important North American market.

Industrial production has fallen by an average of 3.5 per cent. over the first eight months of this year while the Ministry of Labour reported that the number of people seeking empolyment has risen by more than 20 per cent. to 1,060,000. This is a far more significant figure than the very unreliable employment statistics which take no account of the estimated 4 or 5m. people unemployed or underemployed in the south and other depressed regions. Here the prospect of employment is so distant that people do not even bother to register with the authorities but subsist on part-time jobs.

W. Germany-Romania development consultancy

By Christopher Lorenz

FRANKFURT, Sept. 29.

WEST GERMANY and Romania have agreed to set up a consultancy agency to promote joint projects in developing countries. The agreement was signed last week during a visit to Bucharest by a State secretary to Bonn's Development Ministry. The junior Minister has now reported that Bucharest is also keen to get German companies to set up joint ventures in Romania itself.

The partners in the consultancy will be the Romanian Consult on the one hand, and three German companies on the other. The German-Romanian split in the DM1m. capital is 50-50. The new consultancy, called Rodeco, will have its seat in Frankfurt.

Its job will be to co-ordinate projects abroad, during both the planning and the active stages. It is understood that several projects are already being discussed, and that the immediate areas of interest are East Africa, Indonesia and Latin America. This is the first time Bonn has gone so far with an East European country in the development field, although it is involved with Yugoslavia and Sweden in a tripartite technical aid scheme for Tanzania.

The German Development Ministry is interested in Romania not only on political grounds, but also because of the strength of that country's oil drilling equipment and engineering industries. Bucharest's interest in attracting Western companies was demonstrated by the liberal foreign trade law passed in the spring. This allows foreign companies to hold stakes of up to 49 per cent. in a joint venture, exempts them from some of the usual State monopoly regulations—especially in the vital area of exports—and goes further than the similar Yugoslav legislation in giving some guarantees of the repatriation of investment capital.

As yet there are no known examples of German companies taking advantage of the 49 per cent. law, but Bucharest is clearly hoping that they will.

THE ARCTIC

The melting risks

BY CLAIRE STERLING

NOW THAT the Russians have thought better of it, we can apparently stop worrying about a jaunty idea of theirs to turn three big rivers around and make them flow south instead of north. What they had in mind was to replenish the Caspian and Aral seas. The first of these has dropped 20 feet and the other nearly dried up altogether because so much water had been taken from rivers like the Volga for irrigation. The plan had style, but the extra water for these southern seas would have to be diverted from the Arctic Ocean. Sooner or later this could melt the polar ice cap.

Not that the Russians would necessarily mind. Both they and the Canadians have toyed with the idea of melting the ice cap anyway. While theirs are the world's two largest countries in land mass, much of the land is useless frozen real estate. The ice-pack keeping it that way is not only formed because the weather is cold but, by just being there, makes the weather colder: without it, the Arctic's average winter temperature would go up from 36 below zero Fahrenheit to about 29 above.

Rivers

Melting the ice cap doesn't seem to be so difficult, really. There is certainly a lot of it, covering some 10m. square kilometres, a fiftieth of the planet's surface. But all sorts of man-made changes—in salinity, currents, temperature, even colour—could start a serious thaw. Once started, it would be unlikely to stop, and once the ice were all gone, scientists strongly doubt that it would ever form again.

Turning Russian rivers around would be only one way to start the thaw. Another, also considered by the Russians, would be to dam the Bering Straits, pump cold Arctic water into the Pacific against its natural inclination to go the other way, and bring in warmer water from the Atlantic. Yet another, suggested by a wonderfully down-to-earth American weather man, would be to send 60 flying box-cars over the polar ice and dump soot on it.

Reversing the rivers should work a treat. But for the fresh water emptying into the Arctic Ocean from Russian and Canadian rivers it probably would never have frozen over in the first place. This is not merely a matter of salinity: though salt water freezes more slowly than fresh water. The difference in freezing points is less than four degrees Fahrenheit. What counts much more is that fresh water is lighter than salt and, more important still, grows lighter more evenly. Not only does it rise above the denser salt water to form the oceans' top layer—about 10 metres thick in the Arctic—but once there it allows itself to be frozen, whereas salt water keeps contracting to zero degrees and sinking. Since it never rains or snows at the North Pole, the Arctic Ocean has no source of fresh water except rivers. The fact that half its normal supply comes from those rivers in Russia suggests why turning them around seemed to be something to worry about.

While damming the Bering Straits sounds a bit expensive, dumping soot ought to be quick and cheap. The principle is beautifully simple: making the ice dark instead of light. This has to do with what scientists call the albedo, the degree to which any part of the earth's surface reflects the sun's rays and sends the solar heat back into the atmosphere. The darker the surface, the lower the albedo, and, of course, vice-versa. For example, a large body of water has such a low albedo that three metres of it are enough to store as much heat as the whole atmosphere above. Snow and ice, on the other hand, have such a high albedo that even dirty ice in the Arctic rejects nearly two-thirds of the sun's rays. That, in short, is how a dazzling white Arctic helps to keep the place so cold. By the same token, a sooty Arctic would presumably warm it up: and there we are.

Until recently we scarcely knew whether, or when, to start getting nervous about this sort of thing, and we are hardly sure even now. All we do know, as one expert observed at a rarefied scientific gathering in Stockholm this summer, is that melting the polar ice would be bound to change the conditions on much or most of the planet. "It might not be bad," he said, "but it would be different." Considering how different it could be, though, the same expert added that we would, in effect, be out of our minds to leap in the dark before looking.

Polar ice

Certainly there would be a change in the polar climate, which would demonstrably grow milder. That might be nice for the Canadians and Russians, for a while at least. But it might in time send the sea into the streets of London, Stockholm, Hamburg, Leningrad, Rome, Athens, Istanbul, Tokyo, New York, Washington and San Francisco. Eventually, it might even drown some of these capitals and submerge a good chunk of every Continental coastline on earth.

The cause, doubtless to the surprise of many laymen, would not be all that water coming down from melting polar ice. Much of the Arctic ice cap is under water already, taking up *more or less the same space, and* it is only 3 metres thick in any case. The chilling risk lies in Greenland, whose ice sheet rises in sheer cliffs two miles high. A few degrees rise in temperature could start to melt them. The process might take years, decades, centuries or more. But it could end by causing the world's sea level to rise 20 feet or more.

It is not clear whether this is why the Russians decided to drop their river diversion scheme last autumn or at any rate, to cut their plans down to a scale 10 times smaller. Since scientists can evidently fraternize more comfortably than diplomats, however, ours and theirs were able to reach what they call a consensus in Stockholm without much trouble. The gist of it was that nobody is going to do anything about the polar ice pack for the time being. Having learned to live with it, in other words, we are going to make very sure indeed, before laying a finger on it, that we can live without it.

EEC African associates seek meeting over British entry

BY REGINALD DALE, COMMON MARKET CORRESPONDENT

BRUSSELS., Sept. 29.

THE COMMON MARKET'S 18 African associates have asked for a special meeting between their association council and the Six to discuss problems caused by British entry to the Community. They want the meeting before the end of the enlargement negotiations, and the request is being studied by the Six.

If the meeting takes place, the associates are also expected to raise issues like generalised preference schemes, and President Nixon's economic measures and their effects on trade and aid. The African countries are linked with the Community under the Yaoundé Convention.

So far, the African countries have expressed few precise anxieties over the imminent enlargement of the Community, apart from insisting that the present level of financial aid they receive from the Community be at least maintained. If Independent African members of the Commonwealth opt for association with the Common Market on the same basis as the Yaoundé Convention, the enlarged Community will clearly be under strong pressure to increase the present volume of financial aid.

The present Yaoundé Convention countries are also said by officials here to be worried that private investment might be increasingly diverted to the English speaking African countries once they receive preferential tariff treatment from the Community under an association agreement.

The Yaoundé countries, mostly former French colonies, would also face increased competition in the Community market with regard to a number of exports like canned foods, for which they currently have preferences over the African Commonwealth producers.

Meanwhile, Mauritius, a Commonwealth country whose economy is almost entirely dependent on sugar, has formally asked to become a member of the present Yaoundé Convention association agreement. The general offer of association to developing Commonwealth countries made in the course of the British entry negotiations would only come into force after January 1975, when the present Yaoundé Convention expires. A new arrangement would then be made to include all the Commonwealth countries that want similar treatment.

Six-Argentina agreement

BY REGINALD DALE, COMMON MARKET CORRESPONDENT

BRUSSELS, Sept. 29.

THE NON-PREFERENTIAL trade agreement between the Common Market and Argentina, negotiated earlier this year, is to be initialled in Brussels next week, and will probably be formally signed by ministers at the beginning of November.

Argentina will be the first Latin American country to sign a trade pact with the Common Market, but negotiations for a similar agreement with Uruguay are only a step behind and are expected to be completed by the end of the year. Brazil is now also showing interest in an arrangement along the same lines, and the Six are expected to view this favourably.

In the future, however, the Community sees the best hope of co-operation with Latin America in multilateral rather than bilateral contacts. A first meeting between ambassadors of the Six and the 22-member countries of the Special Latin American Co-ordination Committee (CECLA) was held here in June, and agreed to set up machinery for a "permanent dialogue" between the two blocs.

The Community is now making preparations for a second meeting of ambassadors, which would examine prospects for co-operation in greater detail, to take place towards the end of the year. A full-scale ministerial meeting is to be held when the ambassadors consider the time to be ripe.

Canada has also expressed the desire for a permanent institutional framework for consultation and co-ordination with the Community. The Canadians would like the consultations to be at ministerial level, but this is unlikely to be approved by the Community for the time being. The most likely development would be the establishment of regular top-level contacts between the Commission and senior Canadian officials.

● *M.* Jean-François Deniau, member of the Brussels commission responsible for the enlargement negotiations, starts an official visit to Norway on Thursday, during which the dominant topic is bound to be the Community's common fisheries policy.

Turkish Premier warns politicians

ANKARA, Sept. 29.

TURKEY'S Prime Minister, Dr. Nihat Erim, told the national assembly to-day he would resign if his working relationship with Parliament broke down.

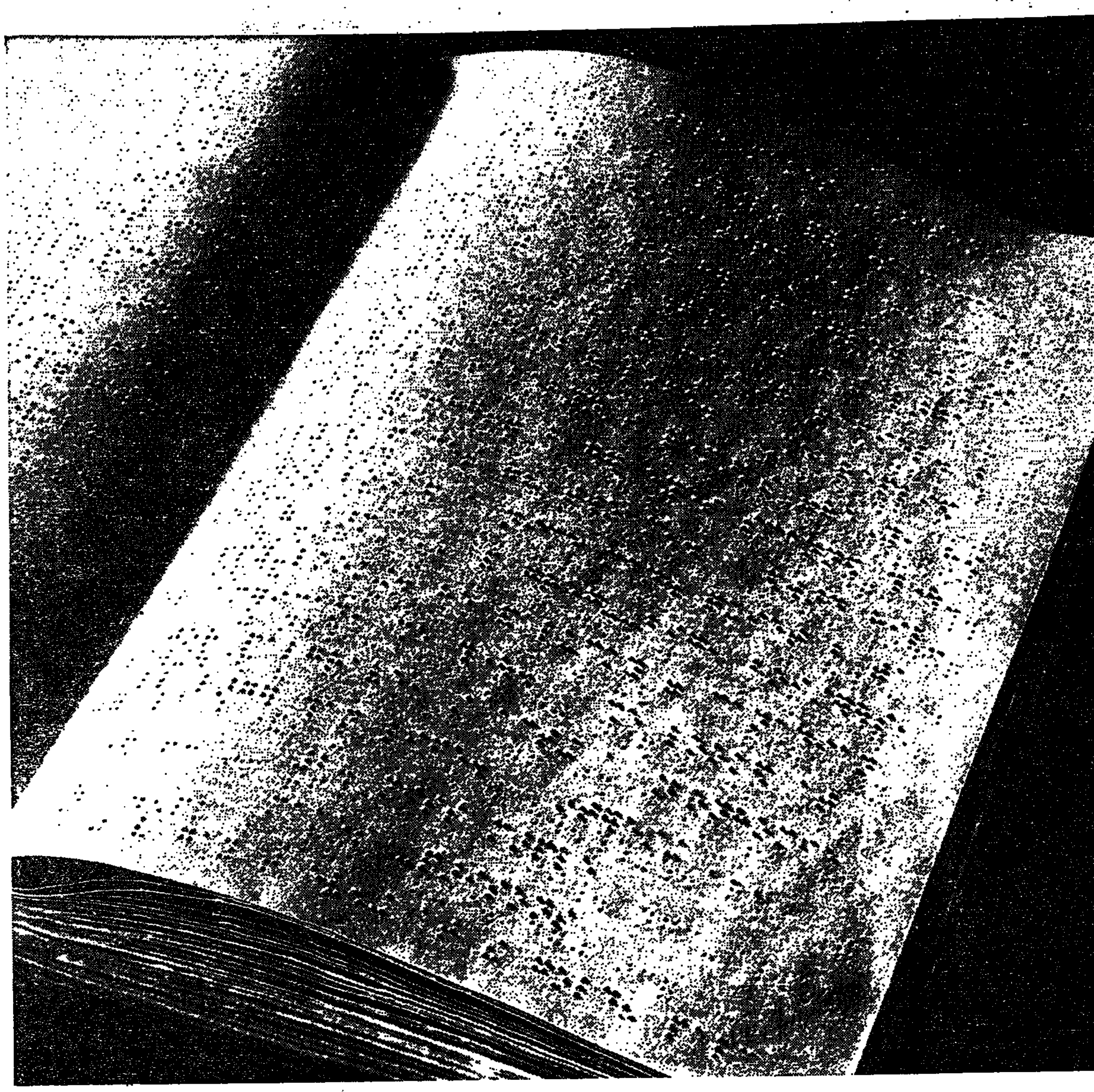
The Prime Minister, directing his remarks mainly to former Premier Suleyman Demirel's Justice Party, also warned politicians against re-creating events which led to last March's Government crisis.

Referring to the March 12 ultimatum when military leaders threatened to take over the country if Mr. Demirel's Government was not replaced, he said: "If you scratch the wounds I shall not be responsible for what may happen."

The Justice Party, the largest group in Parliament, has refused Dr. Erim's request for virtual decree powers to push through reforms on land tenure, education and in the economic and social spheres.

To-day's warning by the Prime Minister came at a time when the wide-ranging reform programme to which his government is committed shows signs of meeting severe difficulties.

The Justice Party claims the granting of special powers would usury Parliament's function, while the commanders of the three services have recently urged that the reforms demanded in their March ultimatum must be put through as soon as possible. Reuter.



Caribbean Mystery. Chapter 2. Miss Marple makes comparisons.

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VARNEY (HOLDINGS) LIMITED

Extracts from Mr H. R. B. Hobdell's statement

Results. Group profit before taxation was £196,118 (£105,172) – an increase of 86%. A final dividend of 7½% was recommended, making a total of 10% for the year (9%). The confidence I expressed last year has been justified.

Estate development. Our policy of acquiring land in sought-after localities has allowed us to take full advantage of the improved market situation, and will help to ensure an appropriate level of profitability from our operations. Outlook for development in the sphere in which we operate is better now than it has been for some time.

Plant hire. Re-organisation of this company, which made a loss last year, is almost complete, and this subsidiary has shown a profit of £[illegible] 701 for the year.

Industrial developments. These form a small part of the group's activities and have not resulted in the contribution to profits hoped for. The situation is being closely watched.

Conclusion. I am confident that, in the absence of unforeseen circumstances, the group results for the current year will reflect further progress.

Rhodes House
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Case for 'further period' of four-unit UCS

BY ANDREW HARGRAVE, SCOTTISH CORRESPONDENT

GLASGOW, Sept. 29.

THE CONTINUATION of the present four-unit Upper Clyde Shipbuilders group for a "further period" by the newly-formed Govan Shipbuilders is recommended in the interim report of the committee set up by the Scottish TUC to inquire into the social and economical consequences of the UCS collapse.

The extra cost of maintaining the Clydebank and Scotstoun yards—which are outside the orbit of financial help envisaged by the Government for the new company—would, in the committee's view, be far outweighed by the cost of 16,000 redundancies at UCS itself and its suppliers.

The latter would be compounded by a direct loss of income of around £15m. in the U.K. (three-quarters of it in Scotland) and about the same amount in losses to national and local government in terms of social security payments, rent rebates and reliefs, burden on welfare services, etc., per year.

"In addition, the creation of the same number of jobs might cost the Government anything between £24m. and £32m. The gradual and gentler solution is, therefore, justified not only for its humanity but for its probable economic advantage," says the committee.

Ship orders

The report suggests that the UCS liquidator, Mr. Robert Smith, be empowered to begin work on the (14) ships ordered but not yet started if the setting up of the new company is delayed. The new company, it says, should be "guaranteed adequate working and investment capital."

The committee has three further recommendations. It suggests that any cut in the work force should be gradual and coincide with improvements in employment opportunities throughout the region: "The full arsenal of existing Government measures supplemented by new schemes for regional growth be applied": and similar procedures should apply when large-scale redundancies from a single major employer threaten other communities.

Specific proposals for new regional measures will be put forward in the committee's final report.

"The problem is urgent and decisions must be taken quickly," says the committee. "These are preliminary conclusions from incomplete information: but we find the evidence to date so compelling that while they may be modified by further data, we see little possibility that our conclusions can be radically different."

Apart from the high male unemployment rate—10.6 per cent. in the Glasgow area—vacancies, too, were alarmingly few, with roughly 20 men for each. In the construction industry, an alternative source of employment for shipyard finishing trades, the ratio was 62 to one: in the relevant shipyard trades 38 to one. Among unskilled workers the ratio was 413 to one: and even in the normally "safe" professional / technical / executive category it was five to one.

Job problems

The difficulty of finding jobs was highlighted by a survey carried out among 2,000 UCS workers who have left or were made redundant in the past two years, when prospects were better than to-day. It had indicated that 31 per cent. of them were still unemployed after at least nine months from leaving: the proportion among the over-50's was 42 per cent.

"Fact and opinion, lay and professional, have convinced the committee that any potential solution must take account of the long-term structural problems of the region, the current unemployment crisis and the Clydebank / Patrick / Govan (two Glasgow districts) communities so dependent on this industry," the report concludes. "West Central Scotland needs jobs at all times, but especially now."

The report follows five days of hearings and a number of written submissions earlier this month. The committee's chairman is Professor Raymond Illsley, of Aberdeen University, and includes Mr. George Perry, managing director of General Motors (Scotland), and Mr. Frank Cousins, former general secretary of the Transport and General Workers Union and Minister of Technology in the Labour Government. There will be a further three-day session next month and a final report is expected before the end of the year.

U.K. ECONOMIC INDICATORS

		1971			1970	
General	Unit	Sept.	Aug.	July	Sept.	Aug.
Unemployment¶ ...	'000s	884	859	786	628	[illegible]
Unfilled vacan's¶	'000s	169	179	193	261	[illegible]
Bank advances ...	£m.	5,877	5,852	5,989	5,728	[illegible]
		1971			**1970**	
		Aug.	July	June	Aug.	July
Gold reserves	£m.	2,003	1,613	1,508	1,147	[illegible]
Basic materials and fuel prices††	1963=100	139.1	138.9	137.4	126.1	[illegible]
Wage rates	Jan.'56=100	223.8	222.6	220.9	198.1	[illegible]
Retail prices	Jan.'62=100	155.3	155.2	154.3	140.8	[illegible]
		1971			**1970**	
		July	June	May	July	June
Retail sales val.**	1966=100	134.3	131.5	133.0	123.3	[illegible]
H.P. Debt¶	£m.	1,407	1,403	1,397	1,306	[illegible]
Terms of trade ...	1961=100	108	108	108	102	[illegible]
Industl. output**	1963=100	125.6	126.4	126.1	122.8	[illegible]
		1971			**1970**	
Trade and Industry		Aug.	July	Jan.-Aug.	Aug.	Jan.-Aug.
Imports f.o.b.**...	£m.	701	718	707	729	[illegible]
Exports f.o.b.**...	£m.	769	762	721	499	[illegible]
Visible trade balance**	£m.	+68	+44	+15	−230	[illegible]
Steel (wkly. av.)*	'000 tons	446.4	390.5	468.9	499.8	[illegible]
TV sets†	'000s	221	179	168	127	[illegible]
Radios, r/grms.†‖	'000s	63	69	67	58	[illegible]
Cars*	'000s	118.9	85.7	138.3	95.9	[illegible]
Comm. vehicles*	'000s	28.26	27.49	37.37	25.22	[illegible]
Houses compl't'd¶	'000s	26.0	31.3	27.9	27.6	[illegible]
		1971			**1970**	
		July	June	Jan.-July	July	Jan.-July
Man-made fibres*	m. lbs	113.7	108.9	114.0	115.1	[illegible]
Cement (weekly average)*	'000 tons	362	350	336	359	[illegible]
Bricks*¶	millions	549	565	535	492	[illegible]
Cat'ring turnover	1964=100	152	146	147	159	[illegible]
Mtr. trd. turnover	1967=100	144	153	144	124	[illegible]
Furniture†	1963=100	122	118	132	98	[illegible]
Hosiery*	1963=100**	158	143	151	141	[illegible]
Engin. and Elec. (orders on hand)	Dec.'63=100	120	117	119	122	[illegible]
		1971			**1970**	
		June	May	Jan.-June	June	Jan.-June
Made-up clothing (orders on hand)**	Dec.'62=100	175	175	167	143	[illegible]
Raw wools§	m. kilos	12.1	13.1	12.5	14.4	[illegible]
Textiles (orders on hand)**	Dec.'62=100	125	124	122	130	[illegible]
Petroleum†	m. tons	6.51	6.65	7.84	6.21	[illegible]
Electric cookers†	'000s	75.4	83.7	77.4	69.6	[illegible]
Washing mchns.†	'000s	47.9	51.3	57.0	59.4	[illegible]
Raw cotton (weekly av.)§ ...	'000 tons	2.47	3.10	3.01	2.74	[illegible]
		1971			**1970**	
		2nd qtr.	1st qtr.	Year to date	2nd qtr.	Year
Factory approvals	m. sq. ft.	14.9	18.2	33.1	23.6	[illegible]
Consumer spending**	£m. 1963 values	5,940	5,813	11,753	5,819	23,34[illegible]
Machine tools† ...	£m.	45.6	55.6	101.2	48.3	198[illegible]
Building and civil engineering* ...	£m.	1,384	1,238	2,622	1,261	4,97[illegible]
		1971	**1970**			**19[illegible]**
		1st qtr.	4th qtr.	1st qtr.	Year	Year
Plastics*	000's metric tons	375.8	381.4	354.3	1,486.6	1,350

* Production. † Deliveries. ‡ Net sales. § Consumption. ¶ Great Britain, not seasonally adjusted. ** Seasonally adjusted. †† All non-food manufacturing industries. ‖ Excluding car radios.

NOTE—Foreign Trade figures are seasonally adjusted.

Refrigerator exports still depressed

By David Walker

THE SLUMP in domestic refrigerator exports from the U.K. recorded in the first half of 1971 continued in July, according to figures issued yesterday by the Domestic Refrigeration Development Committee.

At 10,857 units, deliveries abroad by British manufacturers were 17 per cent. below July last year. For the January-July period overall exports were 22 per cent. less than a year earlier.

Home demand in July also continued to be lower than a year before, with 103,356 units delivered, against 120,688 in the same month of 1970, a decrease of 14 per cent.

Part of that drop, however, could well have been caused by customers holding back in anticipation of the mini-Budget of July 19. There seems little doubt that the easier hire purchase terms and slightly lower prices which resulted from that will have brought about a considerable stimulus to demand, which will be reflected in the August figures.

In the first seven months of 1971, home sales were 6 per cent. down overall on the corresponding period of last year. A total of 719,630 units were sold, against 770,209 in January-July, 1970.

NEW ULSTER FINANCE GROUP

A new finance group, Lombard and Ulster Banking, has been formed and will come into operation to-morrow.

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Other Overseas News

Reshuffle of key jobs under way in Iraq

By Our Own Correspondent

BEIRUT, Sept. 29.

A RESHUFFLE of key positions inside the Iraqi regime is under way. This has been indicated by Baghdad's official Al Thawra in an editorial to-day commenting on the dismissal last night of the Vice-President Lt.-General Saleh Mahdi Ammash and their Foreign Minister Dr. Abdel Kerim Shaikhaly. Both were also removed from the higher executive, the Revolutionary Command Council, and were assigned to diplomatic posts.

"It is natural for the revolution to reshuffle the leadership posts when this is necessary," the paper said. This was the first and only explanation so far for the sudden ousting of two members of the regime's inner circle. Their removal suggested a purge of the ruling Baath party leadership may have taken place. Informed sources said Mr. Ammash and Dr. Shaikhaly had failed in new party elections in Baghdad. It is the second serious purge of the regime in nearly a year.

Informed sources here believe the purge reflects yet another power struggle inside the leftist regime which seized power in a military coup in July, 1968. Mr. Ammash especially was the most senior Baathist after President Ahmed Hassan al Bakr.

In fact, speculations here related the struggle to President Bakr's ill-health. The President earlier this month checked into a Baghdad hospital for what an official announcement described as medical check-ups. Beirut press reports claimed he was wounded in an assassination attempt. President Bakr has not been reporting to his office as frequently as he used to in the past.

The ousting of the 54-year-old Mr. Ammash leaves his rival, 37-year-old Sidam Hussein Takriti, Vice-Chairman of the RCC and assistant secretary-general of the party, as heir apparent to the Presidency. Sidam Hussein has long been reputed as the regime's strongman. In his RCC post, he runs the executive branch of the government, and in the party he dominates the Baathist structure, which has effective control on the country's 120,000-man army.

Bhutto steps up challenge to Pakistan's rulers

BY IQBAL MIRZA

KARACHI, Sept. 29.

THE LEADER of the majority People's Party of the Western Wing of Pakistan, Mr. Zulfikar Ali Bhutto to-day stepped up his challenge to President Yahya Khan by demanding that democratic processes be restored before the end of the year if Pakistan is to be saved.

Mr. Bhutto's latest move suggests that, in spite of several meetings between the two men in mid-September when the President is thought to have urged caution upon him, he has resolved to risk a show-down with the military regime.

Open stance

Mr. Bhutto has for several months been taking an increasingly open stance against the administration, sometimes in apparent defiance of martial law regulations which have restricted political activity since the crisis in East Pakistan in March. The banning of the Awami league, which had won absolute majority in December's elections, and the arrest of Sheikh Mujibur Rahman —now on trial in camera in Lyallpur—have meant that Mr. Bhutto, as leader of the People's Party which won the second-largest number of seats can expect to be Prime Minister when the Army generals are ready to hand over power to the national assembly.

Mr. Bhutto's great problem is that he has no representation in East Pakistan and will find it difficult to pretend to be a truly national leader.

In a statement issued here to-day Mr. Bhutto courts the President's anger by deliberately raising the spectre of popular unrest in other regions of Pakistan, a clear reference to fears which are widely held here that troubles in the Eastern Wing could destroy Pakistan since they will encourage other parts of the country to voice their grievances.

Popular government

Mr. Bhutto warned that by-elections must be held in the East, the National Assembly be called into session, the constitution approved, and a popular Government installed at the centre and in the provinces—all before the end of the year. "If the Assembly is not called into session in either the capital of the East or the West Wing, then let the people call their own assemblies to session in the barren hills of Baluchistan, in the paddy fields of Bengal, in the mountains of Sarhad (North West Frontier province), in the plains of the Punjab, and in the deserts of Sind."

Mr. Bhutto carefully denied that this statement should be seen as an ultimatum or a threat; but the whole tone of to-day's statement with its abuse of vested interests, bureaucrats and generals conspiring to block the President's plans for a return to democracy, show that Mr. Bhutto believes that the time is now ripe to increase popular and political pressure on the President himself at a time when the lifting of the monsoon in Bengal is likely to lead to an intensified clash with the Bangla Desh forces and thus with international opinion.

Mrs. Gandhi and Kosygin urge Bengal settlement

BY OUR OWN CORRESPONDENT

NEW DELHI, Sept. 29.

AT THE END of what has apparently been a highly successful three-day visit to Moscow by the Indian Premier, Mrs. Indira Gandhi and Mr. Kosygin jointly called for "urgent measures towards a political solution of problems in East Bengal keeping in view the wishes, rights and interests of the people as well as the need for a speedy and safe return of refugees."

In a joint statement released simultaneously here and in Moscow the two premiers noted the Indian demand for "all necessary measures to stop the inflow of refugees from East Bengal to India and to ensure that those refugees who are already in India return to their homeland without delay."

Mrs. Gandhi told the Soviet leaders of the serious setback to India's socio-economic programmes caused by the refugee influx, and this has also been noted by the Russians who have promised to fulfill faithfully the terms of the recently signed Indo-Soviet treaty of friendship and co-operation.

What concrete advantages have emerged from Mr. Gandhi's visit will be known in a few days; the joint statement refers to new opportunities for expansion of economic collaboration and announces a decision to "set up an inter-Governmental commission on economic, scientific and technical co-operation."

Whether Mrs. Gandhi has been able to persuade the Russian leaders to put pressure on the Pakistan military regime to restore normalcy and civil rule by elected representatives in East Bengal remains to be seen.

Trade talks

Meanwhile, the Indian Minister of Foreign Trade, who has just returned from talks with EEC officials and his British counterpart on assurances on Indian exports, said that India's proposal for an early conference of Commonwealth Trade Ministers has been accepted.

He said the conference would be held either in December or early January. The proposal was made to examine the implications of trends in international monetary and trade spheres.

PEKING CANCELS BANQUET

PEKING, Sept. 29.

The traditional banquet to-morrow on the eve of China's national day—a vast gathering in Peking's Great Hall of people usually addressed by Premier Chou En-lai—will not be held this year, the Foreign Ministry said here to-day. Instead, a 1½-hour reception will be held at the same venue. An official said: "This is another reform we have made."

Reuter

U.S. wants Japan's reply on textiles

TOKYO, Sept. 29.

THE U.S. has asked Japan to give an answer by to-morrow to its demand for resumption of talks between the two Governments on curbing Japanese textile exports to the American market, an official spokesman said to-day.

The request for an answer was presented last night by Mr. Anthony Jurich, special assistant to U.S. Ambassador-at-large David Kennedy, to Minister of International Trade and Industry Kakuei Tanaka.

The spokesman declined to comment on reports that Mr. Jurich told Mr. Tanaka the U.S. would impose mandatory quotas on textile imports on October 15, unless Government talks were resumed.

The spokesman said that Mr. Tanaka believed it would be difficult to give any definite answer to-morrow in view of strong opposition from the Japanese textile industry to resumption of Government talks.

He said the U.S. was proposing curbs on 18 items—a 5 per cent. increase in mad-made fibre textiles and a 1 per cent. increase in woollen textiles annually during a three-year period retroactively from July 1 this year.

Reuter

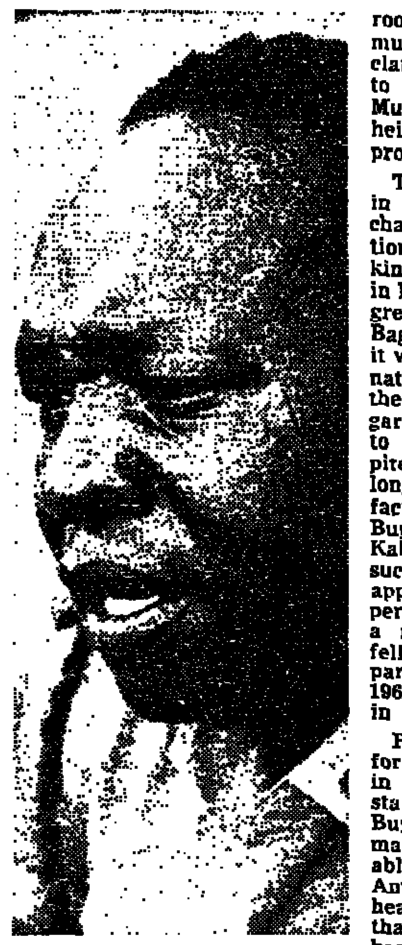
UGANDA

Buganda wants its kingdom back

BY CHARLES HARRISON, KAMPALA CORRESPONDENT

SIXTEEN-year-old Prince Ronald Mutebi, son and heir of the late Sir Edward Mutesa, the former Kabaka (King) of Buganda, has returned to school in England after spending his summer holiday in Uganda, leaving behind here a widely supported demand for the restoration of the kingdom of Buganda—and a headache for Uganda's military ruler, Gen. Idi Amin.

Buganda, like the other hereditary kingdoms of Ankole, Toro and Bunyoro, had its kingdom status abolished by the then president, Dr. Milton Obote, in 1967. When Dr. Obote was ousted in a military coup last January, there were immediate hopes, particularly in Buganda, that the kingdom would be restored. These hopes were increased when Gen. Amin arranged to return the remains of Sir Edward Mutesa from London, where he died in exile in 1969, for a state burial here.



President Idi Amin

Emotion

But the army which ousted Dr. Obote quickly made it clear that it did not favour a return to feudal kingdoms. Although this caused dismay in Buganda, the hopes of the Buganda tribe, numbering perhaps 2m. out of Uganda's 10m. population, have since been revived; and the return of Prince Ronnie for his holiday provided a new focus for them. The pressure has been so great that Gen. Amin found it necessary to promise that a committee would be set up to examine the whole matter.

A wave of emotion has developed in Buganda. It is so strong that the many Baganda who realise it would be futile to think of reviving the kingdom are now afraid to say so far fear of being singled out as enemies of the kingdom. Understandably, they are not anxious to have their houses set on fire or their cattle maimed.

The situation in Buganda is unique because the Kabaka, in addition to being the ruler of the kingdom, was also head of all the clans of which the tribe is composed. Abolishing the kingdom did not remove the clans, which fulfil an important role in the social structure of Buganda. A man, for instance, may not marry within his own clan, and each clan has its own totem, which may be a bird, a fish, a cow, a sheep or a mushroom, which the clan members must not eat. As head of the clans, the Kabaka had personally to approve the heir of any Muganda who died, before the heir could inherit his father's property.

The Kabaka's flight into exile in 1966, after unsuccessfully challenging Dr. Obote, the abolition and dismemberment of the kingdom in 1967, and his death in London in 1969, were events of great importance for the Baganda. After his death, when it was learned that he had nominated Prince Ronnie as his heir, the young prince was widely regarded also as having succeeded to the throne of Buganda—despite the fact that the throne no longer existed, and despite the fact that in the complicated Buganda tribal system the Kabaka could not choose his own successor, although he could appoint his heir to inherit his personal property. The choice of a new Kabaka constitutionally fell on the Lukiko, or kingdom parliament, which disappeared in 1966 and was formally abolished in 1967.

Prince Ronnie flew to Uganda for the state funeral of his father in April and was formally installed as the head of the Buganda clans, an office which many Baganda regard as inseparable from that of Kabaka. Gen. Amin agreed that he could be head of the clans, but stressed that he was nothing more. He has since criticised those Baganda whom he accuses of using the young prince as a means of furthering their own ends.

Gen. Amin now faces the difficulty of a highly emotional situation in Buganda, the area where he has gained most support since the coup. Much of the enthusiasm for the military coup in Buganda came because the army had ousted Dr. Obote, the man who ousted the Kabaka in 1966. It is now questionable how far the General can avoid alienating the Baganda if he has again to tell them that they can't have their kingdom back.

The question is complicated because when the kingdoms were abolished in 1967, Buganda was also divided into four separate districts. Dr Obote's reasoning here was that Buganda was too large as a single entity; but it is also obvious that the dismemberment of Buganda had a special appeal to him.

The Baganda are pressing not only for the reunification of the four districts, but for the restoration of the kingdom as well. This would mean bringing back the kingdom parliament, whose ornate building is now known as Republic House and accommodates the Uganda Army headquarters, as well as many smaller institutions which could only be re-formed with considerable difficulty and expense.

Next step

Significantly, the pro-kingdom sentiment in Buganda has been strongly opposed elsewhere in Uganda. Representatives of many other tribes have said it would be unthinkable to consider bringing back kingdoms now. Among those expressing these views is Sir Charles Gasyonga, who was Omugabe (King) of Ankole until 1967.

The next step is for Gen. Amin to set up the committee which he says will consider the kingdom issue, along with other important questions for Uganda's future. He has also promised to prepare a new constitution as a preliminary to ending the existing military regime, and such a basic question would need to be decided before any final constitution could be agreed. There is no indication so far of the timing of these steps, but the demand within Buganda for the restoration of the kingdom is not likely to diminish, however long it takes to make the vital decisions.

Chinese visit to France

By Robert Mauthner

PARIS, Sept. 29.

THE FIRST Chinese delegation at government level to visit Western Europe since the Indo China conferences in Geneva in 1954 and 1962 arrived in Paris to-day for a two week official visit, during which it will be received by President Pompidou and tour some of the principal French industrial cities.

The Chinese delegation will be visiting the Toulouse factory of Aerospatiale, the French partner in the manufacture of the Concorde.

Hopes on Lothian mission

BY OUR OWN CORRESPONDENT

NAIROBI, Sept. 29.

LORD LOTHIAN'S mission to East Africa is considered by British farmers in West Kilimanjaro, Tanzania, to be their only hope for a stable future.

The sudden expulsion of two white farmers from the area—without warning, and without compensation for their valuable land—has thrown the 40 or 50 British residents throughout Tanzania into confusion and near panic.

Lord Lothian, the British Junior Minister responsible for African Affairs at the Foreign and Commonwealth Office, begins his East African tour next week, and after visits to Kenya and the Tanzanian capital of Dar es Salaam, is expected in West Kilimanjaro district on October 9.

What concerns the remaining British is that Mr. Car Lundgraens and Mr. Petrus Hugo, both of whom were summarily removed from their farms earlier this week, should be paid adequate compensation. The Tanzanian Government has already announced that no compensation would be paid for the farms.

India to import Iraqi crude

By Our Own Correspondent

NEW DELHI, Sept. 29.

A MAJOR CHANGE in the Indian Government's policy on crude oil imports has been initiated with the trade agreement signed with Iraq, under which 1m. tonnes will be imported on a Government-to-Government basis.

The value of the initial quantity to be imported, beginning next June, is approximately Rs.100m. (about £5.5m.), but what is significant is the fact that the imports will be stepped up in coming years.

The Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

● ELECTRONICS

Calculator on a chip

AN ASTONISHING feature of the micro-electronics business is the way that predictions made a decade ago about size and cost have not only come true but have been totally surpassed. Prices are now an incredible one-thousandth of what they were in 1960; if the same kind of reductions had applied to the motor industry a family car would cost about fifty pence.

The number of active semi-conductor devices in a package has in the same period gone from a dozen or so to no less than ten thousand. With this kind of packing density desk top calculators have become perfectly feasible and have recently been appearing on the market at the rate of several a month in the U.K. alone. The next step—the pocket electronic machine—could only have been a matter of time, and in fact Texas Instruments of Manton Lane, Bedford has now made it a practical proposition.

Its engineers have come up with the TMS 1802NC, an eight digit electronic calculator implemented on a single MOS/LSI chip measuring a mere 0.584 mm. square. The chip contains a 3520 bit read only program memory, a 182 bit random access memory, a decimal arithmetic logic unit, control circuits, timing circuits and output decoders.

Clearly, the smallness of a fairly powerful calculator is not limited by the chip but by the display and the operating keys. Small-sized solutions to these problems have also been provided by Texas; they will be offering concurrently with the chip a basic keyboard switching matrix measuring only 8 x 6 cm. It is only a few millimetres thick and each button switch consists of a circular dished plate working on an over-centre action when depressed at its centre point.

Visibility

The display the company will be offering uses gallium arsenide per-character monolithic numeric characters which are a tenth of an inch high; it claims that visibility will be no problem—and this will almost certainly be accepted by most customers on the basis that even newsprint characters of this size can be easily read at arm's length.

At a recent demonstration in London, Texas showed quite clearly that a calculator no larger than a packet of 20 cigarettes is quite possible with these three components. A demonstration machine—in which no great effort has been made to conserve space—measured about 8 by 4 by 2 inches.

The company has already received its first large production order for the chips and has a stock of 700 pieces available for electronic calculator manufacturers to experiment with.

Texas was not too happy about quoting prices, but emphasises that they would be such as to make the near future retail price fo a calculator about £45. The prediction is that next year the company will sell some quarter of a million chips to calculator manufacturers, which ought to allow finished calculator retail prices to be in the £30 region.

Roger Hall, who runs the Texas MOS operation at Bedford, believes that the emergence of devices like the TMS 1802NC offers renewed prospects for U.K. equipment manufacturers presently afflicted by low labour cost imports from abroad. The company also states that it has made a very firm decision not to enter the calculator market itself.

GEOFFREY CHARLISH

● COMMUNICATION

'Phone talk will go further

WIRES twisted to a different pitch and carried in foamed insulations will make a telephone cable which can carry signals twice as far before they must be regenerated.

In a cable carrying 50 pairs of wire, 21 pairs are twisted to a different pitch. Wires with the same pitch are placed on opposite sides of the cable. The purpose is to reduce cross-talk caused by induction from one pair to another.

The foamed insulation has a high air content, more than ordinary insulation, so that its dielectric constant is lower. This and the greater thickness of the foam layer mean the insulation has only half the capacitance and therefore half the attenuation of previous materials.

The result of lower cross talk and lower signal loss, says Bell Telephone Laboratories of Murray Hill, N.J., U.S., is that signal regenerators can be placed 2½ miles apart. The usual spacing now is one mile.

● COMPUTERS

Big hospital award to Univac

APPARENTLY eroding the declared policy of the Government to buy British for the Departments under its direct control, an order has been placed with Univac for a large configuration of that company's 418-111 computer design to be used ultimately in a real-time service operating for United Birmingham hospitals.

This is the fifth instance where contracts have been awarded for hospital projects involving important aspects of computing in the health service area. Three have gone to International Computers and this new contract is the second to be won by Univac with a time-sharing system. It is understood that a further big contract may go to Honeywell.

If the present apparent "half-and-half" trend continues, expectations that ICL would run the whole hospital service for Britain with about 16 of its 1904A or 4S machines will be dashed.

Under the new contract, for which no value has been disclosed though the equipment proposed would represent over £¾m. worth of hardware, delivery is to take place early next year and the first real-time application should go live early in 1973.

For the past four years the hospital group at Birmingham jointly with the Faculty of Medicine has accumulated a wealth of experience on computerised registration and admission, statistics, laboratory reporting and so on. But these applications have had to be limited to once a day running on the existing facilities.

Negotiations

Because of this severe limitation on the more forward-looking work, it was decided to consider a real-time system to handle both routine and special projects.

Early in 1969, a team was set up to consider this solution to the problem. For the last eight months, negotiations have been in progress between the manufacturers and the responsible section of the Department of Health and Social Security. The outcome of these negotiations is now seen to be the contract to Univac.

Equipment ordered from this company, apart from the main computer, includes a 9300 slave computer to run a variety of peripherals. It is also intended to operate 40 Cossor TV-type terminals which will be distributed throughout the various departments of the group.

The displays will be connected to the larger computer through a Cossor controller. Univac will write the software for the handling of the screens. Additionally, there will be 18 Olivetti teletype units to produce hard copy in the ward areas.

Initially, the equipment will provide complete patient administration in one hospital together with laboratory reporting systems. It is planned to introduce many other services step by step. By 1974 it is hoped to have terminals in every ward of the hospital, following which they will be extended to other nearby centres.

● MATERIALS

Withstands a bump

CAR bumpers made of Keltan synthetic rubber manufactured by DSM of Heerlen, Holland, are to be used on the new SAAB 99.

Interiors of the bumpers are filled with polyethylene "boxes" and resilience is such, it is claimed, that neither the bumper nor the car body would be damaged in a 5-km-an-hour collision. At speeds up to 8 km an hour only the bumper would be damaged and the plastic "boxes" deformed.

The bumpers, which are assembled in Sweden by Forsbeda, are made in one injection moulding operation.

● PRODUCTS

Brushwood cutter

USING lightweight petrol engines developed for chain saws, a lopping saw for fallen trees and a brush cutter for unwanted shrubbery are now available.

The saw uses a circular blade to cut the branches from felled trees or to cut trees themselves up to six inches diameter. It can also be used for cutting down large bushes to permit tree seedlings to grow. The saw blade is at the base of a T-shaped frame so the user does not have to stoop or bend.

A light engine drives the rotating knife at the base of a similar frame. This can be used in place of a machete to cut tall grass, weeds and even seaweed.

Stihl American of 194, Greenwood Avenue, Midland Park, New Jersey, U.S., which offers both devices, calls the saw a powered scythe.

Disc drive for a mini

A MOBILE cartridge disc drive is being made available for use with one of the latest minicomputers to be presented to the U.K. market, the GRI-909.

It can have one exchangeable disc, or one exchangeable disc and one fixed disc, and a capacity of either 2.6 or 5.2 megabytes of data. Up to four of them can be attached to the small computer through a single interface and controller.

Allied Business Systems, 29, Maddox Street, London, W.1, which is offering the new equipment, has begun to make an impact on the U.K. market and has recently placed two systems for business applications—one to be employed in stock control and invoicing and the other in an on-line inquiry-ordering installation.

Marked card reader

A RELATIVELY inexpensive and stable way to put data into computers, time sharing terminals, numerically controlled machines and other devices that accept eight bit words in serial fashion has been put on the market by Hewlett Packard of 224 Bath Road, Slough, Bucks.

Called the model 3260A, it detects pencil marks or punched holes on hand-fed cards and gives a digital output corresponding to the presence of marks or holes in the eight columns.

Each card has a maximum of 32 words and the reading time for a complete 32-word card is typically 1.5 seconds.

Applications are expected to include the calibration and set-up of numerically controlled machines, the programming of certain types of instruments, and the reduction of operator error during repetitive production testing.

The reader has its own internal power supply and weighs 6 lb.

Quiet data terminal

A RELATIVELY inexpensive page printer terminal having a low operating noise level has been introduced by the Westrex Company, of Coles Green Road, London NW2 7HE.

Known as the model 770, it is based on the company's 2700 series of page printers but with mechanical noise reduced to a minimum.

The machine has a maximum operating speed of 600 characters a minute and is available in both ASR (automatic send/receive) and KSR (keyboard send/receive) configurations. The ASR model includes integral tape reader and tape punch.

The terminal can be supplied with keyboard and typewheel layouts for a number of different computer codes. Interface units enable transmission over the Post Office Datel and telegraph networks as well as for direct on-line computer use.

Small ads sorted by computer

PUBLISHERS of three north-western newspapers, Cumberland Newspapers, have placed an order for a Typeset-8 storage and edit/classified advertisement and sorting system with Digital Equipment Company, of Arkwright Road, Reading.

The system will be based on a PDP8/L general purpose small computer and it will provide output to Compugraphic photo-composition machines.

Installation of the system, which is the second in Europe and thought to be the first of its kind in Britain, will take place at the end of 1971, with production to start in a new plant early next year.

Corrected paper tape produced through the storage and edit part of the system will be fed to the composing units without manual merging of the tapes. Information will be hyphenated and justified immediately prior to being printed out on a line printer in upper and lower case, each line being numbered.

Reference to these numbers will permit the production of a correction tape from the line-printer copy once this has been proof-read.

The correction tape is fed into the system which automatically finds the original and updates it. A further line printer proof or the final output paper tape can then be produced.

● TRANSPORT

Unloading aircraft passengers

A MOBILE elevator designed for moving people—particularly those who are incapacitated—from aircraft to ground level has been developed by Aero-Decks, of Lower William Street, Northam, Southampton.

Only one man is needed to operate the unit which can be built to link to any of the big aircraft now in service. On arrival of the aircraft, the unit is positioned so that its top deck entrance is against the door and passengers are then able to descend by means of stairs, or people in wheel chairs or unable to walk far are carried on an elevator.

The unit is powered by a standard commercial vehicle-type diesel engine.

Translates signals at low speed

CAPABLE of accurate full duplex digital transmission at speeds up to 300 bits per second, the modem type 200/3 just introduced by Racal-Milgo, of Bennet Road, Reading, Berks, measures only 13 x 11 x 3.75 inches.

Designed primarily to meet the needs of PTT authorities and original equipment manufacturers, it makes extensive use of integrated circuits and monolithic operational amplifiers. Solid state techniques are used for channel switching, and the unit is a self-contained package with all control switches built in.

The 200/3 employs a dual band FSK modulation technique using CCITT V21 recommended frequencies and operates asynchronously. There are no preset adjustments and the modem can be rapidly installed by connecting between the telephone and the line.

Meaningful component statistics

BETTER success than anticipated is in the offing for VASCA whose semiconductor group is seeking to build up a reliable statistical service for the use of both members and non-members since a number of large organisations in the latter category have now indicated their willingness to take part.

It appears that the objective of getting the statistical service off the ground in the fourth quarter will be achieved and not before time because of the lack of completely reliable figures in this important area of the electronics industry.

The inquiry will relate to U.K. sales for home and export markets of discrete semiconductors and integrated circuits. They will be classified in five category groups, sub-divided into some 40 statistical groupings.

Companies joining the service will pay a fee for each of the main product groups in which they can supply sales information and they will in turn receive the combined industries' figures for the product categories to which they subscribed.

The key to the success of the whole operation is, of course, confidentiality and this VASCA claims to be able to continue to assure as its system has done in the past.

● *By agreement between the Financial Times and the BBC, information from The Technical Page is available for use by the Corporation's External Services as source material for its overseas broadcasts.*

● INSTRUMENTS

Machinery stopped by mine gas

COAL mining machines can be halted automatically in dangerous conditions by use of a combined methane meter and safety switch.

The meter has two warning lights as well as a dial. For methane concentrations over 1 per cent., a yellow warning light goes on. Over 2 per cent., a red light goes on and electrical power to the machinery is cut off.

The meter-switch, made by the National Mine Service Company of Koppers Building, Pittsburgh, Penn., U.S., is intended for continuous miners, longwall ploughs or loading machines. Circuitry is solid state and the sensor is a porous ceramic catalytic burner. National Mine says this is more durable and requires less frequent calibration than a hot-wire sensor.

● PROCESSES

Small parts heated fast

THE NEED to apply concentrated heat rapidly to relatively small components or to isolated areas of larger items is well known throughout industry: flames, infra-red, ohmic heating, RF induction, microwaves—all have been used with varying degrees of success.

A form of eddy current heating that applies large fast-rising current pulses to a positionally non-critical work coil has now been put on the market by FieldTech of Heathrow Airport, Hounslow, Middlesex. Called "Pulsonix," it has been developed by Dimensional Research Inc. of California.

The generator consists essentially of a very large capacitor (38,000 microfarads) charged from a bridge circuit and discharged through an SCR-based network at a repetition rate of from 5 to 8kHz.

At the maximum frequency and with optimum coupling between work coil and load, over 1.5 kW can be produced in the work piece, so that items in the one or two cubic-inch region can be brought to red heat in a matter of seconds. Unlike RF heating, coupling is not critical and no tuning is involved.

In general the diameter of the work coil needs to be about one inch greater than the work piece.

The coil can be virtually any size, but of course the power is fixed so that there is a limit to the size of item that can be effectively heated.

The work coil can plug into a pistol grip incorporating a trigger switch and the maker claims that no health hazards are involved in the use of the equipment.

Apart from the obvious applications in providing localised heat for soldering, brazing, and heat treatment of all kinds, epoxy glue curing is also a possibility in the joining of metals.

Controlled heating can also be carried out by using feedback from a temperature sensor on the work piece. The repetition frequency and thus the power output of the generator alters to keep the temperature constant to quite accurate limits.

A two-metre flexible cable is supplied as standard for connecting the work-coil to the generator but this can be extended to 30 metres if required, ensuring maximum mobility in confined spaces such as aircraft and motor car assembly lines.

The Pulsonix generator is housed in a case measuring 44.5 x 44.5 x 20.5 cm and the weight is 43.5 Kg. Price in the U.K. is about £1,200.

Cuts with abrasive powder

AIRBRASIVE model H heavy duty jet machining provides operational capability for high volume production.

By GEC-Elliott Precision Controls, it has powder capacity sufficient for up to eight hours continuous use without refilling. Air supply pressures of more than 125 psi ensure really fast cutting and cleaning.

Model H has tungsten carbide fittings in its powder flow lines to ensure the utmost reliability in continuous industrial operation, and has other features including easy access for servicing, foot pedal override for continuous powder flow operations, and quick disconnect facility for powder refilling.

Airbrasive jet machining equipment directs a gas propelled stream of fine abrasive particles at the workpiece, and is effective on any hard material. Selection of the appropriate grade of powder—ranging from silicon carbide to sodium bicarbonate or glass beads—and adjustment of propellant pressure provide a cutting, abrading or cleaning action as required.

The micro abrasive technique permits precise cuts as fine as 0.005 inches.

● PACKAGING

Protecting soft fruit in transit

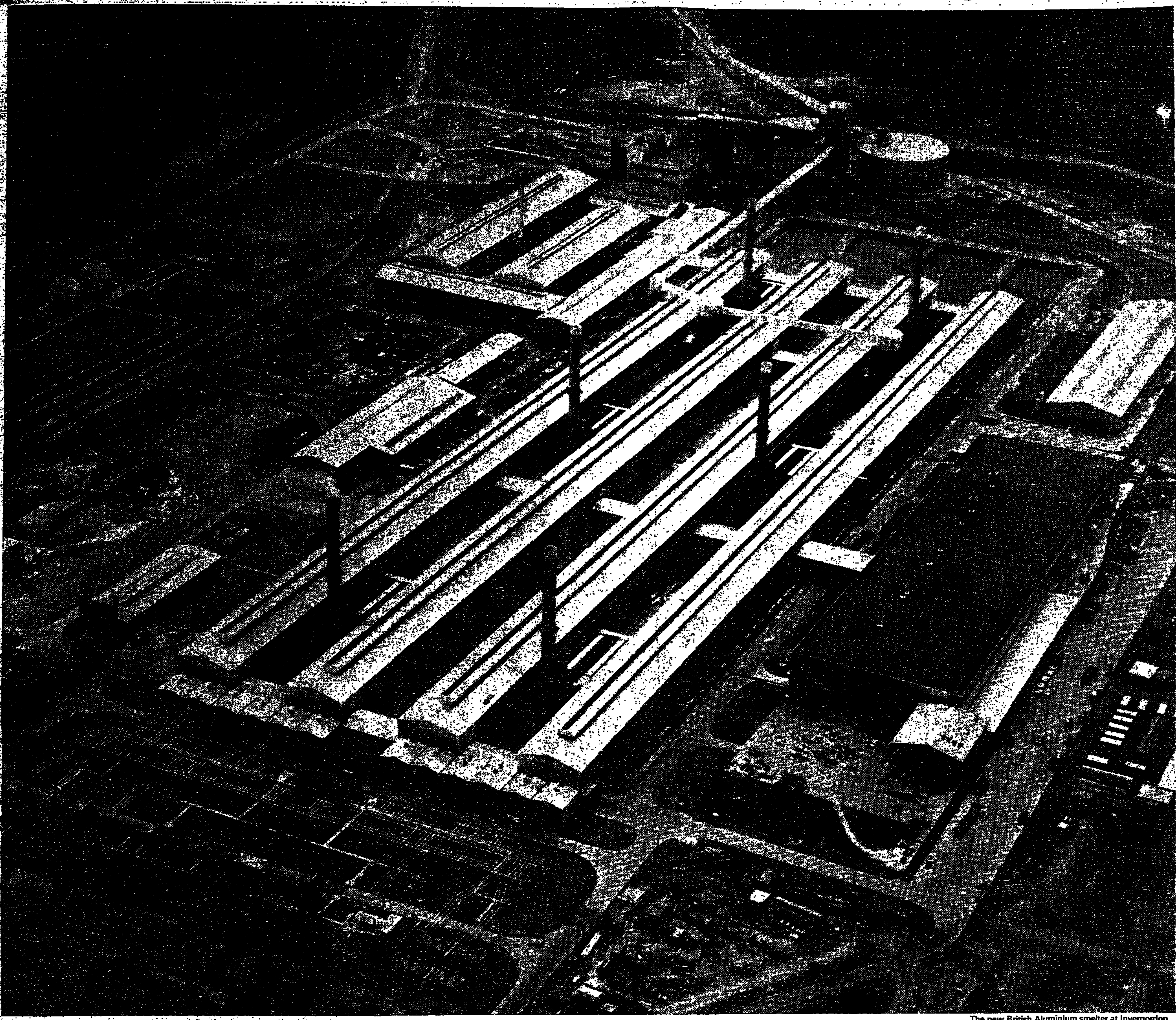
A packaging system designed to minimise damage to soft fruit while being transported from growers to retailers is being introduced by Timpak of Sax Thorpe, Norwich.

The system comprises specially designed divider locking trays fitted with plastic punnets formed of rigid polystyrene by Beseo Roller presses supplied by F. J. Edwards.

These multi-trays are said to sell for less than half the cost of conventional packaging systems. Other advantages of the system are that fruit, like strawberries and raspberries, need not be unpacked as it is ready for display. Furthermore, where necesary the trays can be stacked up to 30 trays high with a reduction in storage space.

The two Beseo Roller presses installed at the Sax Thorpe factory of Timpak are said to have more than doubled output since they were installed.

Costing £775, the Beseo Roller press is capable of cutting out vacuum formed plastic articles and other complex shapes in rubber, leather, textiles, cardboard and metal foil. F. J. Edwards (a member of the 600 Group) provides a complete tooling service for its machines.



The new British Aluminium smelter at Invergordon

TI research means better aluminium smelting

TI advanced engineering in action! The new smelter of the British Aluminium Company at Invergordon on the Cromarty Firth has now started up. By the end of the year it will be capable of producing 100,000 tons of aluminium per annum. The electrolytic extraction process is basically similar to that used in the company's two Highland reduction factories, but research at the Chalfont Technological Centre of British Aluminium in Buckinghamshire has led to a number of developments in the engineering of the reduction cell, in the subsequent processing of liquid aluminium, and in the casting process.

Friction welding large diameter aluminium-to-steel joints

The smelting of aluminium involves the use of massive carbon anodes. The Invergordon smelter contains 5,800 of these carbon blocks, each weighing 1,400 lb, operating at 965°C and carrying approximately 7,000 amps.

Each anode is supported by a hanger consisting of an aluminium bar through which current is supplied. The foot is an 8 in diameter steel cylinder capable of withstanding the operating temperature of the carbon block.

Making a mechanically sound aluminium-to-steel joint for this application is a considerable technological problem. Jointing has normally involved a preformed 'sandwich' insert made by explosion bonding or roll bonding steel to aluminium in plate form, but this is expensive in material and assembly.

Friction welding is the only alternative but little success had been achieved before because of the formation of brittle intermetallic compounds at the weld interface with low mechanical strength. A new approach proposed by The Welding Institute led in early 1969 to a collaborative programme to solve this basic problem and to develop the technique.

Following a series of experiments, full-scale hangers were on trial in smelters by January 1970. Tests showed that friction welds made by this technique suffered no deterioration over a 6-month period under actual cell working conditions; furthermore, the voltage drop across the joint was less than that in joints produced by alternative techniques. A production version of the friction welder is now producing 70 joints in an eight-hour shift for the Invergordon smelter.*

Experimental casting facility at British Aluminium's Technological Centre.

Aluminium to steel friction welded joint

Continuous cleaning and degassing of liquid metal

Another innovation at Invergordon is in liquid metal treatment. Liquid aluminium from the reduction cells contains gas and non-metallic inclusions, which can affect metal quality. To remove these it is usual to treat the metal with large quantities of chlorine in reverberatory furnaces prior to casting. A considerable amount of fume, consisting of aluminium chloride, hydrochloric acid and unchanged chlorine, is evolved in the process, necessitating installation of scrubbing towers charged with caustic soda.

Research showed that oxide inclusions could be removed by passing the liquid metal through a bed of flux-coated alumina balls, the inclusions sticking to the flux coating like flies to fly-paper. Nitrogen degassing was introduced in place of chlorine degassing although there were initial problems in preventing formation of other inclusions.

At Invergordon and other U.K. factories the new degassing and cleaning process will save some £¼m in capital costs. It is also currently in operation in three continents.*

This challenging work is just one example of the many types of fundamental and applied research undertaken throughout TI – a £300 million group of over 100 companies producing both industrial and consumer goods.

*These innovations are the subject of patent applications in the U.K. and many foreign countries.

1967 Coventry Gauge
1968 TI/DED
1969 Coventry Gauge
1970 Coventry Gauge
1970 Crane Packing
1971 Raleigh Industries

an advanced engineering group

To: Tube Investments Ltd, Information Service, Bridgewater House, Cleveland Row, St James's, London SW1. Please send me the publication **Ten minutes with an advanced engineering group.**

Name ______

Address ______

FT7

INDUSTRIAL RELATIONS: THE NEW ACT—3

Union rights and membership

BY JOHN ELLIOTT, Labour Editor

UNION MEMBERSHIP and organisation form the basis on which industrial relations is built, and the Industrial Relations Act introduces important changes which will gradually have a considerable impact on the conduct of labour affairs.

This article deals with these changes, starting with the right of a worker to belong or not to belong to a trade union, and *then moving on to the outlawing of most closed shops and* the introduction of a new concept of agency shop agreements—provisions which are likely to lead to many employers reviewing their recruitment policies.

At present a worker has no legal right to belong to a trade union. The Act provides this right, and allows a worker to join a registered union of his own choice (subject only to limitations imposed by agency shops and "approved" closed shops—explained later), and to take part in union activities at an "appropriate time"—that is outside working hours or during working hours at times agreed with the employer.

But here one of the disadvantages of unions not being registered crops up because there is no legal right to belong to a non-registered union (dubbed an organisation of workers) and any worker victimised — by being refused employment, for example—for belonging to such an organisation has no opportunity for redress through the Act's provisions on unfair dismissals, on the basis of his membership.

Encouragement

The Act also gives an opposite right not to belong to a *registered trade union, and, in* this case, extends the right to cover non-registered unions. The Act and the Code of Practice lean in favour of the right to belong, in order not to appear to be discouraging trade unionism. For instance, the Act states that it is permissible for an employer "to encourage" an employee to join a union which has negotiating and recognition rights. This could lead to interesting case law if an employee thinks the "encouragement" too forceful.

It is an unfair industrial prac*tice for an employer—or anyone* else — to interfere with these rights, as it is for a union to try to persuade an employer to do so. It follows from this, therefore, that pre-entry closed shop agreements — that is, arrangements stating that a person must be a member of a certain union before he can be employed — are void, together with most post-entry shops which require a person to join a certain union once he is employed. This is because to *insist on such membership* would be infringing the right not to belong to a union.

Objection

But while the Act could rest on this logical sequence, it goes further on pre-entry closed shops—which are generally regarded as more unjust than post-entry—and specifically declares them void, whether they are formalised in an agreement or based on informal procedure such as the right of a union to a say on who should be employed—as often happens, for example, in the docks.

This does not mean that all such arrangements immediately have to be terminated. In practice they can continue until someone objects, claiming either that he has been refused employment or dismissed because he does not belong to or has left the established union.

The individual would then have two courses open to him, both of which would probably ideally be pursued concurrently if the rules of the new courts allow this. He could go to the *National Industrial Relations* Court to appeal for the agreement to be declared void. And he could also go to the Industrial Tribunal to claim that his *right not to belong to a union* had been infringed by the employer who had therefore committed an unfair industrial practice and should either re-engage him (if he had been dismissed rather than refused initial employment) or pay compensation (up to £4,160 as laid down in the unfair dismissals section of the Act).

This means that if the man had been refused employment rather than dismissed, he would receive the compensation and would, if the agreement had been declared void by the NIRC, be able to re-apply for employment. At this stage, in practical industrial life, the company would probably find some different reason for not employing him so the individual, while not obtaining a job for himself, would have received some money as compensation and would have struck a considerable blow at the employer's closed shop.

The Government's assumption then is that, having had his agreement declared void, the employer would want to put *himself back within the law and* would try to negotiate a new and lawful arrangement with his union.

On the other hand, the employer might feel it in his interests to continue operating his closed shop agreement even if it had been declared void. He might then be prepared to risk paying out compensation in order to maintain industrial peace. This would be especially likely if the employer was under strong pressure from his union to maintain the shop. The employer could not take the union to court for exerting this unfair pressure unless it was exerted through industrial action but could, when taken to the IT by a worker, claim that the compensation should be paid in part by the union which was guilty of inducing him to refuse the individual employment.

*Having outlawed this tradi*tional method used by employers and unions to exert control, the Act goes on to provide two alternatives which could be used—*the "approved" closed shop* and the agency shop agreement.

The first of these — the "approved" closed shop—was inserted into the legislation during its parliamentary stages after the Government had been persuaded by the entertainment industry (namely, Equity) that some form of closed shop arrangement was essential for Equity to function effectively.

The Act therefore contains provision for "approved" post-entry closed shops, involving either one or more employer and registered union or a whole industry, to be approved by the Industrial Court in what is intended to be very limited cases —maybe only for Equity although others may attempt to qualify. All workers covered would then have to join the established union after being employed, with the sole exception of conscientious objectors who would have to make contributions to an agreed charity.

In addition, to prevent unions trying to foist this sort of arrangement on unwilling employers, the Act stipulates that applications for approved closed shops to the Industrial Court must be made jointly by the employers and union to demonstrate that the idea is in the *interests of both sides of the* industry.

Five reasons

If the application is in order, the Court then passes it on to the Commission on Industrial Relations which can only recommend that there should be such an agreement if it is satisfied that it is needed for *all* of five reasons—to enable workers to be freely and effectively organised; to maintain reasonable terms and conditions of employment and prospects of continued employment; to promote and maintain stable collective bargaining arrangements; to prevent existing or future labour agreements from being "frustrated," and finally—the key point—because these aims could not be achieved through *an agency shop.* The Government envisages—indeed hopes—that these criteria have been tightly enough drawn to exclude almost all the existing post-entry closed shop agreements.

If the CIR backs the application, the NIRC would then issue an Order which would give between one and three months *for anyone wanting the support* for the shop to be tested to apply for a ballot to be held. This application would have to be backed by one-fifth of the workers involved. If there was no application the NIRC would make an Order approving the closed shop agreement.

But if an application was made, a ballot would be organised by the CIR and would have to show either a simple majority of those eligible to vote or that two-thirds of those actually voting were in favour. This percentage requirement, which also applies for the agency shop procedures (explained later), means that where there is a low return the two-thirds requirement would probably apply, whereas for a high return the simple majority would apply.

'Unfair'

Again, as in the agency shop procedures, if the ballot comes down in favour the NIRC would approve the closed shop, but if *it was against, the application* would fail and could not be repeated for two years; any industrial action arising from the issue which took place during the two years would be "unfair" and thus unlawful. On the other hand, if the shop was introduced, a ballot could be called two years later on whether it should continue, providing that, as in the initial application for a ballot, one-fifth of those affected back the application.

This provision, in line with several others in the Act, is aimed at ensuring that established unions are kept "on their toes" and do not allow the servicing of their members to lapse to such a degree that a considerable number of them want to change the arrangements.

It is expected that this form of approved closed shop will only rarely be introduced in industry because of the important criteria which have to be satisfied at the beginning. This means that it is the new concept of the agency shop—covering a defined category of employees rather than a traditional industry shop or factory—which will be of most significance to industry.

The agency shop implements the Government's belief in the right of the individual to have the legal right to choose whether or not to join a union by providing for non-union members who do not fall into the category of conscientious objectors. Such a shop can be agreed voluntarily between one or more employers or an employers' association and a registered union or group of unions, or it can be enforced through NIRC-CIR procedures but then only for a single employer. In either case the shop is statutorily backed by the Act's provisions. Initially most of these agreements are expected to be agreed voluntarily.

Workers' conditions of employment in an agency shop would require them to be a member of the union (or one *of the unions) in the shop;* not to be a member but to pay the union an appropriate "agency fee" in lieu of membership; or, if genuine conscientious objections can be proved, to pay a similar amount to an agreed charity. New employees have to choose which option to take up within one month of being employed while existing employees have three months when a new shop is created—those who do not comply face dismissal.

Leaving the conscientious objectors aside—they are pretty rare anyway, judging by past industrial experience, although they *might* appear more frequently as white-collar trade unionism grows—this means that a worker who benefits from the union organisation (for example through having his pay rises negotiated) but does not want to join it, still makes a *contribution towards the unions'* costs.

Basic cost

The size of the contribution is not fixed but is expected in most cases to be the same as or not much less than the basic union due; if it was considerably lower it would encourage non-unionism and unions are hardly likely to agree to this when fixing the level.

The worker will only contribute the basic cost without extras such as political levies and optional benefit contributions, and would not be bound in any way to the union's policy—he would not, for instance, be answerable to the union if he did not follow a strike call. How many people will opt for this position is debatable—probably more in white-collar than in manual employment—but *companies which may feel that* an agency shop is a good idea need to take account of the strong opposition to it from some union leaders who see it as a means of weakening their position through an increase in non-unionism. On the other hand, weaker unions may see an opportunity for increasing their income.

The opposition may be reduced gradually because of the lack of opportunity for closed *shops* and as unions (once registered) begin to accept that an agency agreement with a few people opting out is better than no agreement at all—especially when an employer with an agency shop can "encourage" his workers to join the appropriate union.

The Act was changed during its Parliamentary stages to allow agency shops to be made not just with one employer but with several, or with an employers' association, which means that the shop can vary in size from one plant (or section of a plant) right up to a whole industry—unlike the statutory bargaining unit arrangements agreed after reference to the NIRC (which are discussed later) which are limited at their largest to one or more financially associated employers such as a group of companies.

But the Government was determined to maintain its beliefs in the rights of the individual and it is for this reason that the agency shops for more than one employer can only be arranged voluntarily and cannot, unlike the single-employer shops, be imposed on an *unwilling employer through* the NIRC.

The NIRC-CIR type of procedure already explained can be used to try to end the agreement if one-fifth of the workers involved back an application for ending it to the NIRC, not less than two years after it was set up, if this had been done through the NIRC procedure.

When the employer resists an approach from one or more unions *for* an agency shop the union can appeal to the NIRC which, if it is satisfied that there has not been a ballot on the same question within the last two years and that the union has recognition and negotiating rights (but not necessarily sole rights in a formal bargaining *unit), would refer the matter to* the CIR. The CIR would then check whether there was a recognition dispute in progress —or likely to develop—which *would make the shop ineffective.*

Decision

If there was, it would refer the matter back to the NIRC, but if there was not it would decide which workers should be covered in a ballot and then organise for the voting to take place. The numbers involved would be decided by the CIR in the interests of good industrial relations and could be less or more than the union's application.

The majority required, as for the approved closed shops would be a simple majority of those elegible to vote or two-thirds of those *actually* voting, and *if the ballot went against* having the shop, then there could be no similar application for two years and no industrial action over the issue during that time. If the ballot was in favour, it would be enforced by the NIRC and could not be legally chalenged in any way, including industrial action, for two years. It would also be an unfair industrial practice to take industrial action while the ballot was in progress.

It should be noted that only a registered union can enjoy statutorily-backed approved closed shop and agency shop agreements and that existing "post entry" closed shops are likely to continue to operate effectively for some time, providing they are run carefully by employers. This means that unless existing arrangements are challenged by individuals under their right not to belong to a union, there is unlikely to be any rapid introduction of agency shops.

To-morrow—Collective Bargaining

Peterborough power station 'should go'

BY ROY HODSON, REGIONS EDITOR

THE PETERBOROUGH planners want to get rid of the city's power station at an early stage in the £14m. redevelopment of the central area.

Discussing the city centre plan which is published to-day Mr. Wyndham Thomas, general manager of the new Peterborough Development Corporation, last night used strong language about the power station, which is only 400 yards from the city centre and the cathedral.

"The removal of this abominable exrescence is the key to the best traffic solution in Peterborough city centre," he declared. "It offends the eye from whatever direction it is seen, and it ruins what could be a memorable view of the cathedral from the railway."

The plan for Peterborough depends upon bordering the cathedral precincts with what Mr. Thomas describes "some of the finest city-centre sites for offices in the whole of Britain."

There will be a man-made hill topped with a pedestrian concourse, and the development will include a group of public buildings, 350,000 square feet of shops linked to 3,000 car park spaces, a new library, and new public transport facilities.

AVIS MAINTENANCE DEPOT AT FRANKFURT

Avis Rent A Car System Inc. has opened an overseas maintenance facility at Frankfurt Airport in Germany.

Closer European aerospace links move

By Michael Donne, Aerospace Correspondent

NEW MOVES to strengthen the already extensive links between the leading aviation and space *companies in Western Europe* are to be discussed in Edinburgh next week, when more than 100 senior executives from the aerospace industries attend the annual meetings of AICMA and Eurospace.

AICMA—the Association Internationale des Constructeurs de Materiel Aerospatial—represents the aerospace trade associations or industries of Britain, France, Germany, Holland, Denmark, *Belgium*, Spain, Italy, Sweden and Switzerland and, through them, some 400,000 employees in companies with an annual turnover of well over £1,700m.

Eurospace is the representative organisation of leading European companies involved in space activities.

Among subjects to be discussed at the AICMA meeting on Monday is a proposal for closer liaison between Governments, airlines and manufacturers in planning to meet future civil aircraft needs of Europe, *and another to set up for the* first time a world-wide representative body of aerospace manufacturers.

At the Eurospace annual meeting on *Tuesday* next, there *will* be a debate on the Aerosat project—the plan to develop aeronautical satellites for air traffic control and navigational purposes.

The two meetings will be held in the Caledonian Hotel. Mr. David Price, Under Secretary of State for Aerospace, is to be the guest speaker at a dinner given by the Society of British Aerospace Companies.

Banks merge international operations

By Donald Maclean

THE Standard and Chartered Banking Group is to merge the international divisions of the Standard Bank and the Chartered Bank with effect from the close of business to-morrow. The Group was formed last year by the merger of Standard and Chartered.

The International Division now being formed will have assets of about £400m. Its principal operations will be to carry out all foreign exchange and Euro-currency deposit and loan business for the two banks. The division will also have overall responsibility for co-ordinating the banking relations of the Standard Bank organisation and the Chartered Bank with correspondent banks.

The formation of a *single* international division is a step towards combining the London businesses of the Group's constituent banks. A second step *may* be the merging of London money market sterling operations.

Mr. J. Battersby has been appointed chief executive, international, the senior executive of the new division. He will be assisted by Mr. G. K. Clarke and Mr. P. A. G. Harris, as senior executives, international. Mr. A. L. Yarnell becomes Group representative, international banking.

The offices of the division will be initially at 10, Clements Lane, London, E.C.4.

Jersey trust action settled out of court

By Our Own Correspondent

GUERNSEY, Sept. 29.

AFTER FOUR adjournments of to-day's hearing in Jersey's Royal Court *of an action* by the Guarantee Trust of Jersey against Mr. Herbert Percival Marshall, the merchant bank's former chairman and governing director, it was announced that both the current action and *another outstanding* against Mr. Marshall had been settled out of court.

In the current action, the hearing of which began on Monday, Guarantee Trust was suing Mr. Marshall for £143,895 *representing* dividends allegedly paid to Preference shareholders out of capital from 1967 to 1970 in breach of the island's 1861 Companies Law.

It was alleged that over £244,000 owed to the bank by three companies should have been written off as bad debts, whereas they had been shown as assets in the bank's accounts, thereby overstating its profits for four years.

The outstanding action involved a claim *against* Mr. Marshall by Guarantee Trust for £532,320.

17 countries at hallmarking conference

COMMON MARKET and EFTA representatives were among delegates from 17 countries yesterday at the third international hallmarking conference which opened at Goldsmiths' Hall in London.

The conference aims ultimately to establish a world system of consumer protection covering all gold, *silver and* platinum articles.

Memorial Service

MR. G. BENTALL

A memorial service for Mr. Gerald C. Bentall, former chairman of Bentalls, is being held in All Saints' Parish Church, Kingston-on-Thames, on October 11 at 5.45 p.m. An address will be delivered by Canon Evan M. Pilkington, of Bristol Cathedral, who was Vicar of Kingston from 1961 to 1968.

U.K. businessmen may be made Soviet scapegoats

BY MICHAEL SIMMONS, EAST EUROPEAN CORRESPONDENT

BRITISH businessmen in the Soviet Union look like becoming Moscow's chief scapegoats in its endeavours to retaliate against the *expulsion of 105 diplomats* and officials from London. The Soviet Communist Party newspaper, Pravda, said yesterday that "employees of British institutions," tourists, *journalists*, and scientists, as well as businessmen, were used in Russia by British intelligence "for its sinister aims."

Sir Alec's view

The Foreign Office in London, apparently in response to calls for advice from a number of businessmen, has warned Britons *going to Moscow* to conduct themselves particularly prudently, and to make sure the Commercial Section of the British Embassy knows of their movements.

In New York, Sir Alec Douglas-Home, the Foreign Secretary, *told* the United Nations that if a European Security Conference was to have any chance of *success, then each* country had to show it respected the security of the others. Obviously directing his remarks to the Soviet contingent—who are pressing hard for such a conference to be held—he added that if this "essential *respect*" for one's neighbour was shown, then Europe would be embarking on a detente which was "embracing and real."

The propaganda rumblings from Pravda suggest that the *Russians have not yet completed* the list of Britons they want to expel and want to create an atmosphere of anxiety among the British community in *Moscow*.

Since Moscow is pursuing a conciliatory course with the rest of the world, including Britain's allies in NATO and elsewhere, it will want to be completely *sure* that the scale of its proposed reprisal does not induce too much scepticism about its broader intentions. Hence, the Foreign *Secretary's emphasis* on the European Security Conference.

The Russians will also want to be sure it can now do without the businessmen that the *Pravda* writer, Mr. Viktor Mayevsky, presumably has in mind. Companies like ICI, International Computers (ICL), and Rank Xerox, are all doing work which is vital to certain sectors of the Soviet economy, sometimes employing *a technology* that the Russians would not otherwise have access to.

More expendable are likely to be those businessmen in Moscow seeking to win an unwinnable contract, which — in line with current policies — the Russians would now *rather see* placed with, say, Japan or West Germany.

Nuisances

Similarly, British journalists known for a particularly critical view of Soviet development *could well* be ejected. Though I was treated very courteously and generously on my last visit to the Soviet Union in May, *I* can testify that Western, non-Com*munist* journalists tend to be treated by officialdom as unnecessary nuisances.

The containerisation delegation in London as guests of the Con*federation of British Industry* yesterday visited the International Freight Show at Earl's Court. Sir Richard Bonallack, of Bonallack and Sons, said he understood they were "shopping" for all types of port and container equipment.

To-night the *BBC* is to show a film called "The Great Spy Scandal," which apparently will include a sequence of a Soviet diplomat collecting intelligence material from a "dead" letter box.

It can be presumed that the showing of this film will *bring* vigorous protests from the Russians.

Lynch briefs protest MPs

BY DOMINICK J. COYLE

BELFAST, Sept. 29.

MR. LYNCH, the Irish Prime Minister, to-night reported to the *abstentionist Stormount* MPs and Senators on his two-day talks at Chequers with Mr. Heath and Mr. *Faulkner*, the Northern Ireland Premier.

Mr. Lynch was accompanied at the briefing by his Minister for Finance, Mr. George Colley. But I understand he included no specific advice to the members of the Social Democratic and Labour Party (SDLP) and the Nationalist Party as to whether or not they should join in the *peace conference on* Ulster proposed by Mr. Maudling.

In a statement later, on behalf *of the SDLP and the Nationalists*, it was made clear that the Northern Opposition is maintaining strictly its stand that there can be no discussions until the policy of internment in Northern Ireland is brought to an end.

On the surface, at any rate, *this* would seem to exclude any possibility of the Maudling talks getting off the ground in any *meaningful* way.

But some officials here still hold the view that even a *partial concession to internment* —including the release of some of the men now detained—might be sufficient to get the Northern Opposition MPs to the point where they could at least agree to meet Mr. Maudling for "talks about talks."

In a separate development her to-night, Mr. Lynch asked the Speaker to recall the Dail (Parliament) on October 20 for a general debate on Northern Ireland.

A brief statement announcing *this indicated that the Government* would be happy to hear the up-to-date views of the Opposi*tion Fine Gael and Labour* parties on the Northern crisis.

The Labour Party in particular *has been pressing for a recall of* Parliament to discuss Ulster, and Mr. Lynch's somewhat delayed agreement to this request is partly a move to try and head off any criticism that the Government is dealing unilaterally with the Northern problem.

The Dublin Government considers that the Chequers discussions represented a major break*through in Anglo-Irish* relations over the past 50 years in that they finally eroded the "diplo*matic stonewall*" between the Irish Republic and Britain over Northern Ireland.

All aspects

Successive U.K. Governments have always insisted—both pub*licly and in private exchanges*— that Dublin has no role to play in discussions on internal affairs in Ulster, whereas Tuesday night's agreed statement following the Chequers talks noted that the three Prime Ministers had "discussed the situation in Northern Ireland *in all its aspects*."

The section of Tuesday's Chequers statement dealing with bilateral affairs between the London and Dublin Prime Ministers also expressed agreement that the two countries should keep in close communication "on all subjects affecting the future of Anglo-Irish relations." In the Dublin view of *things, the key issue in these rela*tions right now is, in fact, the internal situation in the North.

Irish officials both here and in Dublin are putting considerable emphasis on these two segments of the Chequers statement. I understand that their inclusion was not seriously challenged in the drafting stage, although it is now conceded that the formal acceptance of a role for Mr. Lynch in the continuing search for a process of political reconciliation *in Ulster could prove politically* embarrassing to Mr. Faulkner.

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WINCOTT MEMORIAL LECTURE

Professor Meade advocates curbs on unions' power

BY JOHN HUNT

NEW PROPOSALS for curing "explosive inflation" by imposing financial penalties on trade unions were advocated by Professor James E. Meade of Cambridge University in this year's Wincott Memorial lecture.

He suggested in his address last night in London that the Government should set a norm for the size of wage increases and that any workers who went on strike for a claim in excess of the norm should be penalised.

The professor, who was formerly director of the Economic Section of the Cabinet Office, proposed that in such cases the workers should lose rights to redundancy payments and supplementary benefits. In addition the unions concerned should be liable to a tax on strike benefits paid out.

In the lecture, which was given at the London School of Economics, Professor Meade denied that he was an advocate of "union bashing." He described his viewpoint as "liberal socialist."

However, he stated: "I think we must squarely face the fact that trade unions are monopolistic organisations in which individuals have banded together to fix a price for what they are selling and that with the present rules and regulations these particular monopolistic bodies have too great a bargaining power".

He rejected the possibility of detailed government control of prices but suggested that a new department should be established which would have the task of referring complaints of undesirable monopoly profit margins to the Monopolies Commission. Where the case was proved the Government would have the power to rule that prices should be reduced.

Prof. Meade put forward two other "controversial possibilities" which he believes would encourage competition and cut costs. First, that the present position where undistributed profits are taxed less heavily than distributed profits should be reversed.

Secondly, advertising should be discouraged by a tax on advertising expenditure.

He pointed out that Britain was in a state of "stagflation" where, since 1966, money earnings had been rising more rapidly than retail prices while unemployment had also climbed.

Prof. Meade distinguished between what he termed "anticipated inflation" and "explosive inflation." By anticipated inflation he meant a situation in which the future upward movement of prices was fully and accurately foreseen and was taken into account in all public and private contracts. In that situation the distributional inequities of inflation would cease to exist.

Spiral

The picture was completely different, he contended, in considering explosive inflation which arose in a monetary economy when the various groups in the community were making demands on real resources which it was impossible to fulfil. In those circumstances he saw wages and prices interacting in "an explosive inflationary spiral."

"You cannot get more than a pint out of a pint pot," he commented. "The attempt to do so must lead to an ever-increasing rate of inflation, the actual rate always being higher than the anticipated rate."

He envisaged a situation where Group A and Group B in a community were trying to get incompatible shares of the national income.

"If A is trying to leap-frog over B's back at the very same moment that B is leap-frogging over A's back, not only is the sky the limit, but both players will shoot off into the empyrean at an ever-increasing speed.

"Money will have ceased to be a reliable counter or numeraire for useful trading calculations. It will have become involved in a set of very real incompatibilities, the removal of which presents the basic anti-inflationary task."

"I conclude that it is worth real effort to understand and to take steps to control such an inflation."

Monetary and fiscal policies might differ in important ways in their effects on different elements of total money expenditure. But he saw them as both important methods of influencing the total money demand for goods and services.

"Those who see some magical effect on prices to be derived from a control of the supply of money other than through its effect on money demand for goods and services are surely chasing a will o' the wisp," he declared.

The inflationary process, he believed, depended on two factors: the processes by which money wage-rates and prices were determined and the process by which total money expenditures were determined.

To achieve full employment without price inflation two separate conditions must be fulfilled.

First, by fiscal and monetary policies, the Government must be able to keep total money expenditures at the level necessary to provide a market for the full employment of output at uninflated prices.

Wage rates

Second, the wage-price fixing process must ensure that money wage rates were not pushed up more quickly than output was growing and also that profit margins were stabilised.

In recent years there had been a dramatic change in the labour market. In 1970 weekly wage earnings rose by 12 per cent. while the unemployment percentage was no less than 2.6 per cent.

"In 1970-71 the highest rates of rise of money wage-incomes have been combined not with the lowest, but with the highest unemployment percentages since the end of the Second World War."

He said that Prof. Paish had reached the conclusion that on the basis of the 1952-66 experience one would have expected the unemployment between mid 1969 and 1970 to have been linked with an increase of 3.8 per cent. in money earnings from employment.

In fact, that increase in money earnings was no less than 13.7 per cent., some 10 points higher than one would have expected.

One could explain the change if there had been a dramatic increase in structural unemployment with the highest concentrations in particular regions or occupations. But that had not been the case.

"There have in recent years been two very important changes in the labour market—namely, the institution of redundancy payments and of more generous income-related unemployment benefits—which have reduced the terrors of temporary forced unemployment.

"One likely result has been that in pressing wage claims trade unions and similar bodies have been less sensitive than before to any given level of unemployment among the workers concerned.

"This may well have exerted an appreciable influence, though it is difficult to imagine that it explains the whole of the change."

In addition, he considered that the real restraints on consumption after 1967, imposed in an effort to improve the balance of payments, probably intensified pressures for increased money wages.

That in turn might have made wage earners more conscious of rises in the cost of living and more insistent that they were interested in real wages rather than money wages.

Any of those factors might have initiated stronger pressure by trade unions and similar bodies for wage increases.

"Such pressures having resulted in a marked increase in the rate of rise of money wage rates may have given individual trade unions an unexpected glimpse into the very large monopolistic powers which they possess for pushing money wage rates up and which they have not fully exploited in the past.

"The consequence may have been a basic change in their attitudes.

"The order of magnitude of what is regarded as a reasonable annual claim may have been more or less permanently changed and trade union leaders may have become much more acutely aware of their power to obtain concessions through the threat to disrupt basic economic activities."

Prof. Meade posed the question: "What can be done about it?"

One possibility, he thought, would be an attempt at a full-scale government income policy including criteria to determine the legitimacy of wage increases and the establishment of machinery to see that those were observed.

"This procedure, in my opinion is neither desirable nor practicable," he said.

It would involve a far-reaching incursion of government control into the whole of the private, free-enterprise sector of the economy. That in itself was very undesirable and the experience of the defunct Prices and Incomes Board made one doubt whether it was practicable.

Another possibility was a voluntary incomes policy, with the task being handed over to the TUC and the Confederation of British Industry.

"I believe this solution to be equally undesirable and equally impracticable," he declared. "If the TUC and the CBI had the power over their members to make this solution possible, then in my opinion they would be usurping powers which properly belong to the Government.

"Fortunately experience suggests that they do not possess the powers necessary to make this solution a practicable one."

Referring to the monopolistic position of the unions, he recognised that it was an emotive subject and said: "I want to make it clear from the outset that I am not just advocating trade union bashing."

In some cases monopolistic arrangements were not merely *inevitable* but *even positively* desirable.

"The fact that trade unions are monopolistic organisations does not automatically condemn them, and indeed they perform a number of very important, necessary functions."

In some cases trade unions were needed to provide bargaining power to offset the exploitative powers of a limited number of employers.

"Simple, straightforward trade union bashing is not the answer," he continued.

"This does not imply that there should be no social control over their activities. Indeed, in no other sphere of economic life does one consider it desirable that a monopolistic organisation should not be subject to social controls of one kind or another over such matters as the prices it charges or of the amounts it supplies."

Professor Meade urged the Government to lay down a norm—which he called Norm X—for the annual percentage rise in wage earnings. Any group of employers and employees would be free to reach agreement on any wage or salary bargain, whether or not it was above Norm X.

There would be a system of tribunals or courts which, in the case of a trade dispute, would decide whether the increase was above the norm. Their essential tasks would be to take into account fringe benefits and the probable affect on overtime.

If the tribunal decided that the claim exceeded the norm, then regulations would come into force curbing the bargaining power of the workers pressing the claim.

Appropriate sort of regulations would include that any worker who struck in favour of the claim would lose accumulated rights to redundancy payments in existing jobs.

Any supplementary benefits paid for the support of wives and children would become a liability of the trade union supporting the strike or would become a debt of the individual worker concerned.

The trade union would be liable to a tax on any strike benefits paid out to its members.

"On the other hand," continued the Professor, "there would be no curbing of trade unions' bargaining powers in respect of claims which did not exceed the 'X' per cent. norm."

The choice of the appropriate norm would give the Government an important new weapon for management of the economy. Perhaps an initial norm of 10 per cent. might be set, and as inflation tailed off it would be reduced to a level compatible with general price stability.

Emphasising that he was anxious for the general philosophy behind his proposals to be clear, the Professor said free wage bargaining would, in general, persist. Any wage agreed between workers and employers would be permissible.

"No strike or lock-out would be made illegal by these proposals, but there would be serious financial curbs on claims which are both excessive and resisted by employers.

"The result would be an absolute minimum of government intervention in labour markets. There would, for example, be no need to define legitimate productivity agreements in order to define a permitted exception to a norm for wage increases.

"Since any agreement reached willingly between employers and employed would be permitted, it would not matter whether or not it could be called a productivity agreement."

It would also mean that the insoluble problem of defining equity in comparing one wage claim with another would disappear.

Professor Meade believed it was impracticable to attempt to contain inflation by resisting wage claims by public servants without any similar resistance in the private sector. His proposals would apply equally to all sectors.

He stressed the importance of promoting the movement of labour into areas of high social productivity. But for that to happen it was necessary to abolish the extensive restriction on entry into particular labour markets.

He urged the abolition of closed shop arrangements and said he thought that the Industrial Relations Act went a long way towards that. Unnecessary limitations on admission of apprentices should also be removed.

In some cases professional examination requirements demanded qualifications or time spent in training which were not essential.

"It would seem that the final decision on professional qualifications must not be left to the closed guild of the existing professionals," he said. "Some independent body must decide, relying inevitably very largely on the advice of the professionals."

The professor conceded that his proposals were not a panacea for all the evils facing the economy. They would have to be combined with a control of total money demand in order to prevent producers passing on higher costs.

It would be necessary to supplement his suggestions by the radical development of fiscal measures for the redistribution of income. A further move of income from rich to poor should be achieved by progressive taxation and similar fiscal devices, not by direct control over selling prices or profit margins.

"By far and away the most effective way of promoting competition and curbing monopolistic powers would be to admit the free import of goods from all foreign sources.

"This would also make producers who had to face foreign competition more willing to resist inflationary wage claims."

The lecture, entitled "Wages and Prices in a Mixed Economy," is published for the Wincott Foundation by the Institute of Economic Affairs, 2 Lord North Street, London, S.W.1, as Occasional Paper 35, at 50p.

Any surplus revenue from the sale of the Paper will go to the Wincott Foundation.

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We have excellent openings for Male and Female staff.
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14, Austin Friars, E.C.2.
Tel. 01-588 3015.

WEST INDIES

Administrative assistant required. Accounting degree an advantage but not essential. Salary in range of £2,000 p.a. tax free, house available. *Please apply, giving full details, to* Box A.2232, Financial Times, 10, Cannon Street, EC4P 4BY.

STOCKBROKERS

A medium-sized firm seeks a young man to assist generally in its small but busy Statistical Department. Varied work will include investment analysis, drafting for circulars and portfolio reviews. Similar previous experience is essential. Salary, Bonus, LV's and career prospects. Phone Mr. Dalton, 01-236 4739.

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have vacancy in dealingroom for clerk (either sex) to assist in handling telephone orders and enquiries, etc. Some experience desirable. Salary according to experience. Bonus LVs and pension scheme. Write Box A.2231, Financial Times, 10, Cannon Street, EC4P 4BY.

BANK OFFICIAL 41, bachelor, 20 years overseas experience seeks new appointment. Write Box A.2262, Financial Times, 10, Cannon Street, EC4P 4BY.

MEDIUM SIZED Stockbrokers require jobbers ledger clerk, good salary with usual *benefits*. Write Box A.2233, *Financial* Times, 10, Cannon Street, EC4P 4BY.

SMALL FIRM of Stockbrokers require for their transfer department male clerk, age about 23, good salary, LV's, bonus etc. Allround knowledge would be an advantage. Please phone 248-1664.

UNIVERSITY APPOINTMENTS

UNIVERSITY OF NIGERIA, NSUKKA
FACULTY OF BUSINESS ADMINISTRATION

Applications are invited for the *following posts* :—

1. DEPARTMENT OF BUSINESS ADMINISTRATION.
a) PROFESSOR OR READER IN MANAGEMENT STATISTICS.
b) READER IN MARKETING.

Candidates should hold advanced degrees *in Business Administration* plus at least SEVEN YEARS' University teaching/research experience and should have contributed substantially to the literature in their respective areas. Candidates should also have had *administrative experience*.

Candidates for (a) will be required to organise and promote research and teach undergraduate and post graduate programmes in Management and Statistics with emphasis on Modern Management Theories; Business Policies; Personnel Administration including human and industrial relations; Management Case Analysis; and Business Statistics. Candidates for (b) will be required to organise and promote research and teach undergraduate and postgraduate programmes in Marketing including Marketing Research; Logistics Administration; Marketing Management; Advertising and Promotion; and Quantitative Methods.

2. DEPARTMENT OF ESTATE MANAGEMENT
PROFESSOR OF DEPARTMENT.

Candidates should hold a Higher degree in Estate Management plus suitable professional qualification—F.R.I.C.S. or equivalent, and must have at least SEVEN years' University teaching/research experience. Candidates should have made some authoritative publications in the field and will be expected to develop specialised courses and research in Urban Land Appraisal and Real Estate Finance in Nigeria OR Appraisal of Planned Development.

THE UNIVERSITY WOULD WELCOME APPLICATIONS FROM U.K. UNIVERSITY PERSONNEL SEEKING SECONDMENT. Otherwise appointments would be for an initial contractual period of three years or tenure in the case of professorial posts.

Salary (under review): Professor: £N3,000 p.a., Reader £N2,750 p.a. (£N6=£7 Sterling). Salary supplemented in range £825-£925 p.a. (Sterling) and education allowances and children's holiday visit passages payable in appropriate case by British Government. Supplementation rates under review and negotiable in case of secondment. Family passages; biennial overseas leave; superannuation scheme; accommodation at low rental; various allowances. Detailed application (3 copies) naming 3 referees by 28 October 1971 to Personnel Officer, University of Nigeria, Nsukka, Nigeria, and a further 3 copies to Inter-University Council, 90/91 Tottenham Court Road, London W1P 0DT, from whom particulars are available.

Assistant Company Secretary

Required by Investment Trust Group to be deputy to the Secretary of three quoted investment trusts. Previous investment trust experience necessary. Successful applicant will be about 30 and willing to accept responsibility. Opportunities for promotion within the Group. Starting salary from about £2,200. Please apply for application form and interview to A. T. Gardner-Brown, Personnel Manager, Touche Ross & Co., 3 London Wall Buildings, London, E.C.2. 01-588 3678.

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A Public Property Group offers an unparallelled challenge in an exciting environment to two or three young men whose ability matches their demands.

A long period of sound growth today provides them with enormous potential for future expansion in both property and allied fields. To a large extent realising this potential will depend on the performance of the top management team. It is this team they are seeking to strengthen with young men who will grow with the Group.

Ideally, candidates will be in their mid-twenties, have a professional qualification or business school degree, be highly articulate, highly analytical, totally determined, and possess an "entrepreneurial spirit". Experience in the property field is essential, as is a strong financial orientation including a sound understanding of merchant banking and the stock exchange.

Initial salary will be attractive and ultimate *reward* will be limited only by the individual.

Replies in confidence, with full curriculum vitae, quoting reference number CL 3631 on the envelope to:

FOSTER TURNER & BENSON LIMITED,
Recruitment Division,
St. Alphage House,
Fore Street, London EC2Y 5DP.

CONFIDENTIAL REPLY SERVICE

Should there be any company to whom you do not wish your application forwarded, please advise us in a covering letter omitting the reference number on the envelope.

SENIOR VALUER/NEGOTIATOR

A leading and fast expanding United Kingdom development and trading Group seeks an outstanding and dedicated individual with flair and a broad experience of all aspects of property valuation and negotiations to take a senior position in an established team based in London. Ideally the person *suitable will be aged* 30 to 40 with a background of proven successful property negotiating responsibility. The terms and benefits of the appointment would be commensurate with this important position and the experience and ability of the successful applicant. A Company car would be provided and a first class pension scheme will be available after an appropriate period. Reply to Box A.2241, Financial Times, 10, Cannon Street, EC4P 4BY.

Young Executive EUROPE

Required to help further develop the distribution of a **NATIONAL** paper throughout **EUROPE**. Must be prepared to travel, although the appointment will be based in **LONDON**.
It will be necessary for the successful applicant to have an adequate knowledge of two or more European languages.
Write fully in complete confidence, giving details of career to date. Box A.2234, Financial Times, 10, Cannon Street, EC4P 4BY.

FINANCIAL AND ACCOUNTANCY APPOINTMENTS

ACCOUNTANT/OFFICE MANAGER

required by small but welll established firm in North London. Duties include supervision of all accounts and general administration. Appicants should have a sound knowledge of accounting and good general office experience. Salary in region of £2,000 p.a. Write giving details of age and career to Box No. A.2239, Financial Times, 10, Cannon Street, EC4P 4BY.

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Explore the possibilities available in Merchant, Foreign and Overseas Banks. Consult the City Specialists for excellent opportunities in all Banking positions. Please write, call or 'phone.

P-W CITY BANKING EXECUTIVES
109 FENCHURCH STREET
LONDON E.C.3. 01-709-9971

INVESTMENT MANAGEMENT

The Royal London Mutual Insurance Society wishes to appoint a young Chartered Accountant, preferably not more than 25 years of age, as an Investment Assistant. His *duties will comprise active participation* in the day-to-day management of a substantial portfolio of Stock Exchange investments.

The team that the successful applicant will be joining is a small one and he will have every opportunity to become proficient in all aspects of portfolio investment work.

Previous experience is not essential but it is most important that an applicant has a high degree of personal initiative and a lively mind capable of producing and instigating ideas of his own.

The initial salary will be determined by age and experience up to a maximum of £2,500 per annum.

Applications should be addressed to.—
M. L. PEARCE,
Joint Investment Manager,
THE ROYAL LONDON MUTUAL INSURANCE SOCIETY LTD.,
Finsbury Square, E.C.2.

FINANCIAL AND ACCOUNTANCY APPOINTMENTS ALSO APPEAR TO-DAY ON PAGE 34

COMPANY NOTICES

CAMPARI LIMITED

NOTICE IS HEREBY GIVEN that the Ordinary Share Register will be closed for one day only on the 12th October, 1971.

By Order of the Board,
R. BLACK.
26-28, Somerton Road,
Cricklewood,
London, N.W.2.
30th September, 1971.

GOLD FIELDS GROUP
WEST WITWATERSRAND AREAS LTD.
(Incorporated in the Republic of South Africa)

NOTICE IS HEREBY GIVEN that the REGISTER OF MEMBERS will be CLOSED from 14th to 21st October, 1971, both days inclusive, for the purpose of the Annual General Meeting.
By Order of the Board,
L. J. LITTLE, London Secretary.
London Office:
49, Moorgate, EC2R 6BQ.
29th September, 1971.

THE UNION STEEL CORPORATION (OF SOUTH AFRICA) LIMITED
(Incorporated in the Republic of South Africa)

DECLARATION OF INTERIM DIVIDENDS

The Conditions attached to the above dividends of 6 cents per R2 cumulative participating preferent "A" and "B" shares and 1.50 cents per 50 c ordinary share, provided that payment from London would be made in the currency of the United Kingdom at the current official selling rate of £1 equals R1.729715. But should that rate differ on 29th September, 1971 to an extent regarded by the directors as material, payment would be made on the basis of the equivalent United Kingdom currency calculated at current official selling rate on 29th September, 1971.

The current official selling rate ruling on 29th September, 1971 is £1 United Kingdom currency to R1.78415 South African currency. As this rate differs materially, the directors have decided to adopt it as the basis for payment of the aforementioned dividends to registered shareholders whose warrants are despatched from the United Kingdom.

In these circumstances some time will be required to prepare the dividend warrants. It was not possible to post the warrants on the 29th September, 1971 as originally envisaged and it is expected that dividend warrants will be despatched from the office of local transfer secretaries to the company, Charter Consolidated Limited, Kent House, Station Road, Ashford, Kent, on or about the 8th October, 1971.

By Order of the Board.
For and on behalf of
ANGLO AMERICAN CORPORATION OF SOUTH AFRICA, LIMITED
London Secretaries.
E. BURROWS.
London Office:
40, Holborn Viaduct, EC1P 1AJ.
28th September, 1971.

CONTRACTS AND TENDERS

DEPARTMENT OF THE ENVIRONMENT

REPAIR AND MAINTENANCE OF VEHICLES

The Secretary of State for the Environment is considering awarding early in 1972 contracts for the servicing and overhaul *of the Department's 6 wheeled 20 ton* GVW class and 4 wheeled 11 ton GVW snow-ploughing and salt-spreading vehicles. Firms who have experience in the repair and maintenance of heavy goods vehicles and who wish to be considered for contracts are invited to apply for further information.

Firms who received tender documents for servicing during 1971 will be considered again in 1972 without further application.

Further details may be obtained from the Department of the Environment, Contracts (H) 1B, Room P3 004, 2 Marsham Street, London SW1P 3EB.

PUBLIC NOTICES

GLASGOW CORPORATION

Issued to-day £2m. Bills for maturity on 28th January, 1972 at 4¾ per cent. per annum. The total of outstanding Bills amounts to £11.5m.

BUSINESS OPPORTUNITIES

A SMALL MID-CHESHIRE MANUFACTURING COMPANY

whose representatives are calling regularly upon a wide range of industrial concerns requires

MORE LINES TO MAKE & SELL

and is prepared to open a new department and to purchase any plant and equipment necessary.

OR WILL ACT AS DISTRIBUTORS

for reliable and saleable industrial lines. Willing to carry good stocks.

Full details in confidence to Box B.6019, Financial Times, 10, Cannon Street, EC4P 4BY

ARE YOU PREPARED

to invest a small amount (up to £5,000) backed by your own ability? Experience needed in the field of shipping and forwarding but not absolutely essential. The money factor is not the criteria as advertisers are family concern established nearly 25 years, therefore *investment* considered as an act of faith upon which an immediate excellent return given for full time service. Directorship in offing. Write Box B.6011, Financial Times, *10*, Cannon Street, EC4P 4BY.

EMPLOYMENT AGENCY

with five branches in Home Counties. Established seven years with excellent growth record. For sale outright. Principals only write Box B.5988, Financial Times, 10, Cannon Street, EC4P 4BY.

HAVE YOU

10 or 1,000 vehicles to dispose of for immediate cash?

If so, we could be interested. Contact our U.K. purchasing executive at Box No. B.5963, Financial Times, 10, Cannon Street, EC4P 4BY.

RARE OPPORTUNITY

Wanted by established Finance Company, with view to expansion, an investor active or sleeping. Director ship offered. A golden opportunity with high returns. References required and given. Write in first instance Box B.6018, Financial Times, 10, Cannon Street, EC4P 4BY.

HONG KONG

A situation exists for a manufacturer to appoint his own Sales Manager based in this important centre. No normal office or salary expenses would be incurred. Principals enjoying an existing turnover in excess of £50,000 should write for details to Box B.5997, Financial Times, 10, Cannon Street, EC4P 4BY.

IMPORTANT NOTICE TO SMALL COMPANIES

If you buy design, print and advertising we will handle it for you—without fees or service charges. We know how to save on production costs and are specialists at working on small budgets. You'll get an efficient and talented service with a "creative" flair.
Try us. Phone or write.—
Jack Klein, Managing Director,
GRAPHICS,
30 Dean Street, London, W.1.
01-437 4871 (evenings 01-624 8134)

EURO BROKING

seeks agencies commission in import, export, banking, stock, money and commodity trading. Small partnership able to offer expertise in these *areas to those wishing to widen their* horizon. Write Box B.6014, Financial Times, 10, Cannon Street, EC4P 4BY.

NEW COMPANY

dealing in photographic equipment is prepared to pay 10% of turnover to a person or company who can arrange discount facilities of hire purchase agreement. Expected turnover of six figures for first year trading. Please write Box B.6001 Financial Times, 10, Cannon Street, EC4P 4BY.

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but no space to do it? Why not use your car park? Vic Hallam offer a range of INSTANT OFFICE ACCOMMODATION which can be occupied within 45 minutes of delivery. Telephone Ken Whitehouse Vic Hallam Ltd., Langley Mill 2301.

BUSINESS OPPORTUNITIES ALSO APPEAR ON PAGE 36

PERSONAL

BOARD ROOM CATERING—2 or 3 contracts up to 30-odd lunches sought by a life time catering manager. Contractors need not apply. Enquiries welcomed to Box B.5965, Financial Times, 10, Cannon Street, EC4P 4BY.

OLD FURNITURE and effects purchased, bookcases, chests, chairs, cabinets, etc., paintings, objects of decoration. Haverstock Gallery, 93, Haverstock Hill, Hampstead, N.W.3. 01-722 7089.

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1,000 tons urgently required. Also electric motors, switch gear and new and used machinery.
Immediate settlement.
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348 Spon Lane, West Bromwich.
021-553 0297.

LANSING BAGNALL P.F. 15/T. Fork Lift Truck for sale. £800 o.n.o. Tel. 01-928 2033.

HOTELS

THE SPA HOTEL, Tunbridge Wells. Ideal facilities for Business Conferences. Set in own grounds and adjoining 9-hole Golf Course.—Write for *Brochure* or Tel. 20331.

The Visible Product©

If you are the Marketing Director or the Marketing Controller responsible for any nationally advertised brand please write to the address below for your free copy of 'The Visible Product'

John Harding
Mitchell Murray Phelan
140 Wardour St., W1V 4AQ

INTERIM STATEMENTS

The Gresham House Estate Company Ltd.

Unaudited Interim Statement for the half year ended 30th June, 1971.

	Half year to 30.6.71		Half year to 30.6.70		Year to 31.12.70
		£		£	£
Revenue before Taxation		150,161		140,695	252,577
Taxation		24,070		35,094	41,286
Minority Interests		7,309		4,042	11,854
Net Revenue		118,782		101,559	199,437
Interim Dividend	(13%)	64,422	(13%)	64,422	(31%) 153,622

UNIVERSAL GRINDING LIMITED

INTERIM UNAUDITED RESULTS FOR 1971

	1971 6 months to 30th June	1970 6 months to 30th June	1970 12 months to 31st December
	£000	£000	£000
External Turnover	11,251	11,931	22,889
Trading Profit	1,352	1,561	3,243
Profit before Tax	1,454	1,719	3,315
Ordinary Dividends	(8%) 350	(8%) 350	(21%) 918
Earnings per Share	9.3p	10.1p	10.1p

TRADING RESULTS The group's share of the markets for its products has been maintained and, in some cases, increased but industrial demand has remained dull with the result that our group sales for the first half of 1971 were marginally below those of the first half of last year with trading profits reduced as anticipated. We also received a lower contribution from our associated companies.

FUTURE Demand for our products, which are mainly consumable, quickly follows any increase in industrial activity and we are very well placed to take advantage of this when it does occur. Recent measures to stimulate the economy must however take time to have effect and are now unlikely to produce any significant change in sales or the rate of profitability for the remainder of the year. As an indication of our confidence in the future, Capital Expenditure already approved is at a higher level than in recent years. This will increase manufacturing efficiency and capacity for certain existing products and is also directed towards a number of projects which will take the group into new, although related, fields in expanding markets during 1972 and onwards.

M. D. MOLLOY, *Chairman.*

For a copy of the Interim Statement, write to the Secretary, Universal Grinding Limited, Stafford.

Advertising and ..

A £260,000 kick-off

FOR the next two weeks it will be difficult to watch ITV and not become aware of the Book of *Football, the latest part-work* from Marshall Cavendish which goes on sale from to-day. For the company is repeating its blanket TV coverage approach to launching a new part-work and is lavishing around £210,000 on TV time in thirteen days, with £50,000 of support in the Press and on Radio Luxembourg.

The Kirkwood Company has prepared the three commercials which have the difficult task of making the part-work acceptable both to boys and men. There is another problem with this particular subject—there is little likelihood of substantial overseas sales. In part-work lore any unsold British copies could be disposed of in Canada, Australia and South Africa.

Despite this drawback there is a great deal of confidence about the Book of Football at Marshall Cavendish. The initial print is 500,000, and the company can reprint in four days. If it does settle down at a weekly sale of 150,000 or so it will underline once again the company's uncanny ability to make money out of part publication while much larger companies, like BPC, IPC and Fabbri have lost substantial sums.

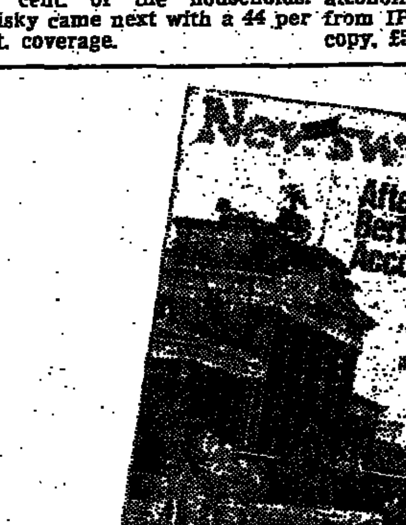
Two years ago, for example, 33 titles jostled for attention in the *autumn selling* season. This year there may be just one other, and average sales are down below 800,000 copies a week for all the survivors. But Marshall Cavendish turned in *a profit of around* £1m. last year, and currently has Golden Hands and Man and Woman making money. It is noticeable that its one real failure—the Bible To-day, *could* not be advertised on television. The big bang approach seems to be the only way to get a part-work into orbit. A. T.

Housewives' influence on drink

THE housewives' influence in the purchase of alcoholic drinks for home consumption is significant, according to a survey released this week, not surprisingly by IPC Women's Magazines Group. In particular one out of every three decisions to buy drink is made by the housewife.

The most popular *drink* for home consumption is sherry and over half the households investigated had bought some sherry in the previous six months (which *covered* last Christmas). However slightly more had bought a spirit of some kind. Second in popularity to sherry comes beer or lager which was bought by 48 per cent. of the households. Whisky came next with a 44 per cent. coverage.

The buyers of spirits are light buyers with the majority making less than one purchase every six months. For beer and lager, however, 26 per cent. of households bought once a month or more. When the housewife buys she is likely to be younger and in a higher social class than average. *And she has less brand* awareness. London and the south east show the greatest consumption but Scotland goes against the national purchasing pattern. There, almost two thirds of households had bought whisky in the last six months. The full, very detailed survey, which is entitled "The purchasing of alcoholic drink" can be bought from IPC Magazines at £20 first copy, £5 thereafter.



The mind expander

We're read every week by bankers in Brussels, by manufacturers in Milan, by government leaders in London and Tokyo . . . by executives and decision-makers worldwide who have *a need to know*.*

We keep our readers up to date on the latest business news, on corporate mergers and money matters, on political and financial trends, on international developments in every corner of the globe. We observe and comment on cultural affairs, on scientific developments, on people and personalities, on the complete spectrum of human interest and activity.

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Printers & Publishers
11-12 Bury Street, St. Mary Axe,
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The Marketing Scene

£100,000 for home made beer

A DRAMATIC facelift for the home brewing market starts next week when Reckitt and Colman launch Tom Caxton True Brew with a £100,000 advertising burst until Christmas. This is the first time a major company has attempted to commercialise what has been very much a cottage industry.

However tests of the home brew kit in the north and west have proved encouraging, and the company's offer of 20 pints of beer at less than 4p a pint should convert more drinkers to making beer.

A.T.

... And stamps

MORE about beer: What is surely the first sales incentive promotion for beer drinkers starts to-morrow in the 350 pubs belonging to the St. George's Tavern *subsidiary* of Watney Mann. A drinker who spends over 25p in any one of 160 pubs in London and the South East receives a stamp featuring one of St. George's more picturesque houses.

This is just the start. There will be ten different stamps in a set and you have the pleasure of visiting a number of pubs before you can collect them all and gain admission to a competition which offers twenty winter holidays, with 1,000 prizes of a free evening's drinking (which means five pints) for the runners up. The promotion is being organised by Interflow.

Beetle in the Circus

SOME new lights come on in London to-night. Volkswagen has rented a prestigious spot on the Shaftesbury Avenue corner of Piccadilly Circus. Managing director Alan Dix switches on at 7.45 p.m., and the Volkswagen commercial, which shows a trickle of red Beetles growing to a mass, will be seen for at least four years. The company has hired the site for the huge sign, which measures 64 feet by 26 feet, from Claudgen, a GEC subsidiary. The cost is secret but substatnial—in fact it will cost the company over £100,000.

● Mark Ramage is to become chairman of Sharp McManus. His place as managing director will be taken by Michael Kaye.

● Grattan Warehouses has moved its advertising account to Benton and Bowles. It will be handled on a fee basis but the first campaign, planned for next *spring, is valued at £30,000.* The account moves from Dennis and Garland who took the client with them when they left Crawfords earlier this year.

● New secretary-general of the European Association of Advertising Agencies is Nils Farnert, of AB Svenska Telegrambyran. He succeeds Thomas Sneum.

A brave new world for the banks

BY ANTONY THORNCROFT, MARKETING EDITOR

TO-MORROW the gloves come off and the banks find themselves in a new competitive era. The old "cartel" agreement is a thing of the past and they will be free to decide their own interest rates for both borrowers and depositors. They will also be able to lend more money. In fact the major joint stock banks, who have been building up marketing expertise silently over the past two years or so, will new have to demonstrate how effective they are at hawking their goods in the market place.

At the moment there is a certain reticence about their plans: each of the Big Four wants to keep its competitive edge. But it is doubtful whether there will be an immediate rash of advertising and promotions. When the Government announced the details of its easier credit policy on September 10 the National Westminster (and its agency J. Walter Thompson) was in there within two days offering loans, but rather to its surprise it had the field to itself. There may be similar caution this week as the banks wait for someone to make the first move on interest rates. What seems certain is that they do not have one contingency plan under wraps but two or even three.

More tactics

There are, however, certain marketing forecasts which can be made with some confidence. The banks will spend more money on advertising. This has already grown very rapidly in recent years and now the National-Westminster, Midland, Barclays and Lloyds all spend in excess of £500,000. Secondly, the type of advertising will change. Instead of rather soft image selling for the bank generally, the agencies will concentrate on the various services now on offer, and be much more tactical in their use of their budgets. Thirdly incentives, at first for the staff and later for consumers, seem inevitable, although not to the scale of the American experience. Finally the physical appearance of banks will change. They will appear more open, less stuffy, and perhaps less numerous.

In short the banks face a marketing revolution. They have known this for some time and have been recruiting specialists from companies like Shell and Fisons to help in staff training, and in the formation of marketing, or corporate planning, departments. But as the man from Lloyds says "the experts will be on tap—not at the top." Banks will still be run by bankers.

Perhaps the most interesting change is that instead of a rather dull uniformity there will be some market segmentation among the four large banks. Already the National-Westminster and the Midland are concentrating on the popular market, on consumer accounts, while Barclays and especially Lloyds are taking the largest slice of their profits from looking after companies. No bank can afford to ignore business clients: "capture a company and you may well get its employees." as the National-Westminter says, but the very advertising recently for the Nat-West emphasises its drive for consumers—after all with 3,600 branches you are inevitably in the retail business.

At first such segmentation will be slight but competitive advertising will make any differences more significant. The initial advertising will concentrate on lending money rather than attracting it. In fact there is something of a glut of money at the moment and since banks make much of their profit from loans they are anxious to attract respectable borrowers. Barclays started a new consumer loan scheme a few months ago and the general manager with responsibility for marketing, Mr. Derek Weyer, expects advertising for this to be stepped up. The loans are already attracting customers from other banks, and Mr. Weyer sees "lending pulling in depositers. Loans are a good way of promoting the banks." But he does not expect that there will be dramatic switches of accounts between banks. After all, they will all be offering basically a similar service, *and with banks there is* "little impulse buying."

Nor are lavish incentives likely to take root in the U.K. In the U.S. the banks got into tremendous difficulties when they started to give away saucepans and fridges to new depositers, and in the last year there has been considerable disenchantment with this means of marketing. Perhaps there may be some stimulator to attract long-term deposits (the most desirable type of business for any bank) but, unless the British banks are forced into incentives by those American banks which are rooted over here, inherent caution and conservatism is likely to weigh against such promotions.

At least for customers. This year the National-Westminster started an incentive scheme for its staff called the Big Difference, and this has recently been followed by another programme which offers a four-weeks trip overseas for the 50 winners who attract the most new business.

It is generally agreed that the push for marketing depends upon attitude of the staff. Weyer says that "Branch staff are more important than advertising," and Mr. Evan Vaughan, assistant chief general manager at Lloyds, points out that his bank started its marketing programme with the training of branch managers by the marketing staff of Warwick University, *and has since progressed down* the line. Until now this accumulated sales knowledge lay fallow because "we were a company without a product: now we have a product."

But what exactly is the banks' product? There is not one but a range. Vaughan expects them to concentrate on the personal borrower initially—"that is the market which has suffered from controls." And Mr. Graham, assistant chief general manager with responsibility for marketing at the Midland, believes that a large proportion of the public "does not realise that one of the main traditional functions of banks was to lend money." So the first campaigns may well concentrate on loans for buying consumer durables, or education, or houses.

The Royal Bank of Scotland

Just one example of a banks successful absorption in marketing. The new corporate design for the Royal Bank of Scotland has just won the top Council of Industrial Design award for company images.

However, Graham warns that "in a year's time there may be a swing towards deposit gathering." He does not believe that all the advertising will be concentrated on specific services. "There will still be a need for image campaigns." And for overseas advertising. The British banks face a substantial task in getting their names better known in the EEC, and a greatly increased promotional effort will be directed towards Europe—the Midland Bank supplement in last week's Time Magazine is an early sign of this.

Yet more advertising will be placed behind another bank service—the credit card. Barclays has already spent £5m. launching its own card (plus almost as much through indirect costs like loss of interest income), and when the other banks bring out their joint card, probably next year, there is certain to be another major advertising drive. So it seems as if those agencies with a bank on the client list are in for a busy but profitable year. And the unusual situation of both Barclays and Midlands using the same agency, Charles Barker, inevitably comes up for close attention. Other agencies have again been pointing out to the banks the strangeness of their position, but at the moment both banks seems satisfied with the results. But the increased competition must revive speculations. Rupert Chetwynd with Lloyds and JWT with National Westminster seem in stronger positions.

The other main speculation centres around the use of television commercials. The banks have a tacit understanding to refrain from TV, and the cost of reaching what is basically a minority market through the medium is notoriously high. But although the drive in the past for C1 and C2 customers has not proved very rewarding in terms of profit both the banks and the agencies are reconsidering television. Barclays at least believes that in time banks will seem relevant and accessible to the man who still inhabits a hard cash culture. And if one bank, perhaps even an American bank, was to use television the competition would be drawn in, however reductantly. But initially it is probably not on the schedules.

There is only one area where the banks are still obviously weak in their marketing skills—research. All the banks have undertaken some market research but it is a costly business with so many branches and so many accounts, and Lloyds for one freely admits that it does not yet know how many customers it actually has. To some extent research, which should have been the foundation of the marketing revolution, is dragging behind. Only now are banks becoming aware of the unprofitability of certain types of business and of individual branches. Only now are they thinking of the optimum size of a branch and whether a clutch of banks could not perhaps be supervised by one manager.

Less study

This lack of information in certain areas is another reason why there might be a stand-off period after the complete loosening of controls. Within a year or two the changes will be more apparent. Banks seem certain to become less stuffy (there are already suggestions that the security aspect could be limited to just one room), more approachable, and open, and slicker in appearance. Lloyds is the last of the banks to undertake a new corporate design, and slowly its change is becoming apparent.

The basic problem remains the attitude of the staff. Earlier this month the Institute of Bankers seminar at Cambridge, with great prescience, took marketing as its theme. The question of attitude especially among the provincial staff materialised as the vital factor. At head office banks have formed marketing departments in the last couple of years: at branch level the whole idea of selling takes getting used to. Perhaps the banks need still more time before they become the retail pace-setters in the High Streets.

OBM opens its doors

Two prominent names are missing from the list of directors of the merged Ogilvy Benson and Mather agency which starts business under its new name from to-morrow. Mickey Barnes, the former chairman of S. H. Benson, who is approaching 60, has preferred to act as a consultant to the new agency rather than as a Board member and Mike Constandinini, a former joint managing director, is concentrating his attentions outside the advertising industry.

In all there are 32 directors of OBM, including eight new promotions from O and M, but nine of them form an executive committee who will be responsible for the day-to-day running of the agency. Only two of these, Simon Bryan and Peter Grender, came from Bensons. OBM will have billings of over £30m. making it roughly as large as J. Walter Thompson, and the entire OBM group, including Davidson Pearce, Harrison Cowley, etc., is the largest in British advertising, with a *billings* equivalent of £44m.

The main agency is now housed in the former O and M building, and a buyer is being sought for Bensons' unlived-in new offices in Jermyn Street. The combined staff of the parent agency is just over 700, whereas a year ago Ogilvy and Mather employed 560 and Bensons 400. Much of the slim-down had occured, however, before the merger was arranged.

● But not all the Benson Group has been safely integrated inside Ogilvy and Mather. Interscan, the market research company, is being sold to NOP. OBM prefers to offer research facilities to clients on an internal basis. Interscan will retain its management, staff and identity, and will in fact count as a competitor to NOP. This is the second acquisition by NOP this year. It recently took over Retail Audits

A.T

Agency News

Lufthansa and Noilly move

Doyle Dane has lost two accounts this week, writes Elinor Goodman. The Noilly Prat vermouth account is moving to Masius Wynne-Williams, while the Lufthansa Airline account which was worth about £100,000 last year is stopping the use of British domestic media. Any advertising done in this country in future by Lufthansa will be concentrated in international media like Newsweek, and will be handled by McCann-Erickson, the agency which handles the airline's advertising in the States and across Europe.

The move of the vermouth account follows the purchase in France of a controlling interest in Noilly Prat by the makers of Martell Cognac. In England the distribution of Noilly Prat has been taken over by Martell's U.K. distributors, Matthew Clark, who earlier this year moved the Martell account to Masius. Now it has been decided that the two accounts should be handled by one agency. No decision has yet been taken on the budget for Noilly Prat next year, but it is unlikely to exceed £100,000.

● Hygena, the kitchen manufacturing firm bought by Norcros in 1958, has joined the ranks of companies promoting their latest product with jet-set launches. Around £20,000 was spent flying some 200 dealers and builders merchants to Cannes last week-end, to see the new 2000 complete kitchen, costing £2,000 and aimed at the A and B1 market.

● Advertisements on ITV in August produced a total net revenue of £6,354,305, nearly £900,000 more than in the same month in 1970. This was obviously another very good month for commercial television with expenditure gaining around 20 per cent. over a year ago.

● The BMRB is operating a special offer to agencies on the Target Group Index, until the end of November. The £800 entry fee is being waived, and £120 will be charged for access to each product field.

● Two advertising seminars:

Harry Wayne McMahan is the speaker at a Marketing Society seminar at the Piccadilly Hotel on November 24. The subject is how to analyse TV scripts—Mr McMahan will demonstrate his own system.

Steve Sohmer, vice-president of the American Advertising Bureau is a speaker at a seminar organised by the Newspaper Publishers Association and ENAB. Theme is how creativity features in newspaper advertising campaigns.

● After considering various agencies, McCann-Erickson has picked Peter Owens as its Irish associate. Owens, founded in 1960, will become Ireland's largest agency in billing terms with the M-E business. There will be no change of ownership.

● Graham and Gilties has won the BP Chemicals account. Billing figure is under discussion at the moment.

Happier turn for charity ads

CHARITY advertising takes a more cheerful turn this week with a new series of ads designed for the Save the Children Fund by KMPH. Instead of the starving child which has become almost a cliche the agency is stressing the "Happiness is what it's all about" angle, and showing how donations can improve the life of underprivileged children. It is a striking contrast to the earliest KMPH ads, for the Salvation Army, which very much emphasised the gloomy side.

In all £80,000 will be spent, and KMPH is recommending larger, solus, spots. In the main the ads are paid for at commercial rates although the poster industry does give some free space. One innovation—Save the Children has been allowed to advertise its shop on television. In the past charity ads were banned, and in their more direct form they still are.

Euro gains a cruiser

Two pieces of good news for Euro Advertising. It has gained one new account and regained another. Its new account is a ship—HMS Belfast, a cruiser which has been saved by the Belfast Trust to become a floating museum to British Sea power. From October 21 she will be moored opposite the Tower of London and if will be Euro Advertising's job to persuade 300,000 people to visit her during the next year. The total budget may reach £15,000, which will be spent mainly in posters.

Euro Advertising has won back the Erna Low Travel Service. This large winter sports operator moved its £60,000 budget to Dunn-Meynell Keefe two months ago but the arrangement was not satisfactory and it has returned to Euro.

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THURSDAY SEPTEMBER 30 1971

A new policy for incomes

THE SEARCH for a workable incomes policy goes on. In his Wincott memorial lecture, delivered at the London School of Economics yesterday, Professor James Meade explained with his usual lucidity why it is necessary to restrain what he defines as "explosive" wage inflation—*the sort that, over the past* couple of years, has caused earnings to increase by a full ten percentage points more than would have been expected from previous experience, given the current level of unemployment. *He was frank about the difficulties of analysis*, asking, "How can one explain this very dramatic increase in the amount of wage inflation?" and answering, of his own accord, "No one, I think, can at present give a confident answer to this question."

Bargaining power

It is possible, however, to see one part of the economic mechanism that is obviously out of balance, and Professor Meade straightforwardly directs our attention to it. The trade *unions, he says, are monopolis*tic organisations which have "too great a bargaining power." In view of the recent economic history of most Western countries, and of Britain in particular, it is easy to see the force of this proposition.

What is not so easy is to find a practical means of redressing *the balance. Professor Meade* rejects the idea of a "full-scale governmental incomes policy" as inherently undesirable and probably impractical, and he argues that a voluntary policy, managed by the Trades Union Congress and the Confederation of British Industries, might work only if the two organisa*tions commanded powers that* "properly belong to the Government" and that "fortunately" they do not possess.

Instead, he proposes that the Government should set a level above which unions would incur financial penalties if they backed their demands by industrial action, but below which employers and unions would use the normal bargaining system, including strikes, without any *outside interference*. A wage tribunal could rule that a claim exceeded this norm; if it did, regulations would come into force that would aim to curb the power of the unions. Strikers would lose accumulated rights to redundancy payments; supplementary benefits would become a liability of the trade union or a debt of the individual worker himself: and unions *would be liable to a tax on* strike benefits paid out.

Experience suggests that one difficulty that would arise under such a system would be that whatever was set as the ceiling *for increases would quickly become, in the unions'* view, the floor. Beyond this, it would be politically most awkward *to introduce stern* legislation of this kind at least until the unions have digested the new Industrial Relations Bill, *whose effect is yet to be* seen. Meanwhile, Britain will be well-placed to observe the results of the laboratory-experiment in incomes policies that is about to be carried out in America, when the present *freeze comes to an end.*

Professor Meade says that under his proposals "free wage-bargaining would in general persist"—but the likelihood is that the setting of a norm would soon evolve into another *form of Government-regulated* incomes policy. For such a policy to work it may in the long run be necessary to introduce stringent regulations, perhaps of the kind that Professor Meade suggests—but these alone would not suffice and, taken alone, they might even prove counter-productive.

Missing

The essential missing ingredient is the necessity to create *a mood of general acquiescence* in any new policy. For this to happen most people must believe that what is being done is with their consent, and above all, fair. It may be that no incomes policy can be fair (because in any form it would control the distribution as well as the level of incomes), but *none will work unless people* feel that at least under such a policy there is less unfairness than under the inflation it is supposed to combat. It will not be easy for any Government to induce such a mood, *nevertheless the search for a* policy that will do so must continue.

The slump in metals

METAL PRICES are still dropping. Copper and lead are now at their lowest level since devaluation in 1967: tin, its price supported by the possibility of buying *for the buffer* stock, is at its lowest since April, 1969. Comparing average prices in September with those in January last year, copper is down by 37 per cent., lead by 29 per cent. and tin by 11 per cent. Nor is the case of these three in any way exceptional. Free market prices generally *are well below the* official prices quoted by producers, which have themselves in several instances been lowered. Nickel is the most notorious example: having reached over £7,000 a ton on *the free market two years ago,* it is now around £1,100. But aluminium is selling at around £160 a ton, compared with a fixed producers' price of £257, and there have been very sharp falls in the prices of minor metals like antimony and quicksilver.

Destocking

The situation is basically due to a slacker pace of business activity, particularly in the United States but in other industrialised countries as well. *In the U.K., for example*, consumption of copper during the first seven months of this year *was* 5.4 per cent. lower, of zinc 5.1 per cent. lower and of lead 2.5 per cent. lower. The effect of this slacker demand on prices has been magnified by several other factors. The high prices of a couple of years ago have left a permanent mark both in persuading producers to open up new sources of *supply and in inducing* consumers to develop more economical methods of use. The very fact that supplies are easy and that there is no risk of being caught short has caused consumers to run down stocks to a minimum. And demand from the Communist bloc, *which was strong two years ago* —especially in the case of China, which did most of its business through the free mar*kets—has since fallen off.*

Terms of trade

It is generally assumed that supply of some of the leading metals, notably copper and nickel, is likely to exceed demand for several years to come. But price movements in the free market are apt to be violent and a sustained revival of business activity in the U.S., if it comes, could have a dramatic effect. *In the meantime, the* U.K., which is a large importer of non-ferrous metals, is feeling the benefit of lower prices. A drop of one-third in the price of copper is not to be sneezed at when imports are running at a rate of nearly £200m. a year.

But it must be borne in mind *that there is only* a distant relationship between market prices and the average prices paid for imports and *that* there are important time-lags: the benefit of the latest drop has yet to be felt. In fact, despite a fall in the prices of other important raw materials, the official index of the price of imported basic materials was 3.3 per cent. higher in July than in January. When this rise is combined with a slightly *higher* one for food and an exceedingly steep one for fuels, the price of all *imports turns out to have risen* by 4.5 per cent. over the first seven months of the year. This is just as fast as the rise in export prices. The terms of trade are no longer moving in our favour.

Chemicals: grasping the nettle of closure and cut-back

John Trafford looks into Shell Chemicals' plans for blunt economy measures and their implications for the rest of the chemical industry

FOR THE second time this year, Shell Chemicals is in the news with plans for economy measures. Last January it started a review of its £225m. petrochemical investment programme in the North West. Last week the company's 5,000 employees were told that a new study had begun to cut operating costs and so improve profitability.

Nothing will be done until the study is completed in two or three months' time, but the writing is on the wall. It is virtually certain that people as well as plant will be found surplus to *requirements. For the families* of Shell men in the North West, where most of the staff work, the prospect is daunting in view of the region's rising unemployment. The enthusiastic co-operation of staff members, *which has engulfed the management* since the announcement last Thursday, is unnervingly reminiscent of Dr. Johnson's observation that when a man knows he is to be hanged, it concentrates the mind wonderfully.

Alternative supplies

Mr. John Aldersley, the Shell Chemicals' managing director, and the Board have singled out three plants for closure as soon as alternative supplies can be found. The plants are all over eight years old — positively ancient by the standards of the petrochemical industry — and are costly to operate. Despite their closure, Shell intends to maintain its market position and will use supplies from group companies or other manufacturers to do so.

For the chemical industry as a whole, the Shell decision is significant since it puts the company among the doers—the companies which actually cut out obsolescent units and so reduce the gross oversupply which at present is plaguing the industry. Two weeks ago the large West German chemical group Hoechst revealed that it was mothballing some of its *older plastics manufacturing* units to permit full utilisation of more modern plant.

The initial reaction to Shell Chemicals' latest move might well be, "Not again!" However, the new study is concerned with a two-pronged attack on operating costs through a close look at staffing *and plants. By contrast the* January review only covered future investment. The decision announced in April to slow the investment programme down, in some cases by two years, still stands. With replacement plants delayed, older plants have either to be run at increasing cost past their normal life span or be closed down. Not surprisingly, Shell has opted in *some cases for closure.*

Shell has the (perhaps unintentional) knack of hitting the headlines with its plans *for* introspective scrutiny. However, all its competitors in this country and abroad have been thinking along the same lines—and for the same reasons.

So much has gone wrong simultaneously that it is as if a malign deity is getting its own back on chemicals and other glamour growth sectors of the 1960s like electronics for being too bumptious and too successful. Over the past two years, the cost of new chemical plant has shot up by 30 per cent. or more; the previously rapid pace of technical innovation, which cut production costs, has faltered; personnel and raw material costs have spiralled skywards with the OPEC oil settlement stoking the fires; and, above all, the growth in *demand has unexpectedly* slackened.

The interlocking nature of all these factors has resulted in a tight squeeze on profits. Because growth has been slower than expected, too much new plant has come into operation (it takes two years to build a large petrochemical unit in Japan and *three in the U.K.*) and manufacturers have had to cut prices simply to maintain their existing share of the market.

This situation has applied right across the world in those parts of the chemical industry where growth has historically been high, technical innovation rapid and capital requirements *measured in fives and tens of* £m. Resins and plastics, synthetic fibres, synthetic fertilisers have all felt the pinch.

Market growth forecasts

To regain some sort of equilibrium, virtually every major petrochemical company has reviewed its future investment programme and cut out or rephased some plants. This, however, can only be a tourniquet *to stop the bleeding.* A hard look is being given to market growth forecasts in the light of recent experience now that the inevitability of 15-20 per cent. annual growth rates has finally been upset. Just as important, *moves are afoot* to try to get some better co-ordination of new investment among the major chemical producers.

To some extent this has already been achieved by the building of pipelines linking *different petrochemical centres* which can each produce or consume the key chemical intermediate, ethylene, which is piped between them. A pipeline linking half a dozen French petrochemical sites around Lyon *and Marseille has just been* announced; another, straddling West Germany, Holland and Belgium, is already in operation.

The trouble with such schemes is that they are confined to certain chemicals which can be carried by pipeline and cannot economically link companies which are a *great distance apart.* The need to spread this co-ordination of investment over a wider field of chemicals has been the stock-in-trade of some industry commentators for years and now it seems that the idea is catching *on at a senior level in the* industry.

A fortnight ago Mr. E. G. Williams, chairman of ICI's Plastics Division, caused quite a stir at an international plastics exhibition in Düsseldorf when he called for "some legally recognised procedure for better international and *inter-company consultation,* some orderly arrangement for the bringing in of new capacity and perhaps more joint ventures." He added that he hoped that the EEC Commission in Brussels would recognise that *this was desirable.*

As with so many things that sound like common sense, the proposal will have to fight its way past the entrenched attitudes held both by governments and by companies. But the very fact that a senior ICI man can speak out so forthrightly indicates pretty clearly how *seriously the big chemical com*panies regard the present situation of oversupply caused by over-investment in the past.

Unilateral investment cutbacks and a better phasing of future spending plans may do *wonders for the industry's* profits from 1975 onwards, but they have no immediate impact other than reducing the need for investment funds. In the short term the need is to increase revenue on existing production and to cut costs—and preferably to do both at the same time. The over-capacity situation has made it exceptionally difficult to raise petrochemical selling prices enough to match the onward march of cost inflation. With that option very circumscribed, increasing attention has been given to the reduction of costs.

Shell Chemicals is by no means alone in this. It is common practice among the larger chemical companies to have a manpower utilisation programme which seeks to improve labour productivity progressively year by year. Other cost factors are usually said to be "constantly" under *review.*

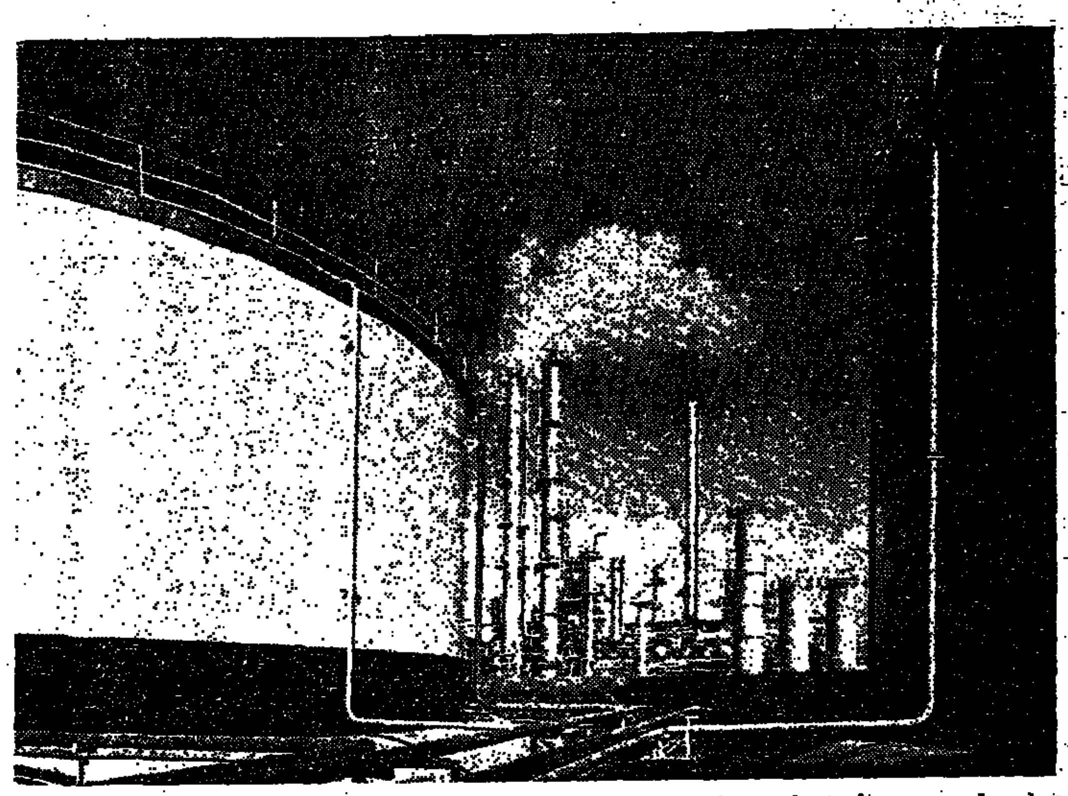
The Shell survey is different from regular cost reduction programmes in that its purpose is to re-establish acceptable levels of return on capital employed. One of the main dangers in taking this kind of drastic action is the bad effect it has on the morale of the employees. Shell's management, by informing staff verbally, appear anxious to cushion the blow.

Yet the likelihood of redundancies is not far from anyone's mind. At its three main plants in the North-West—Carrington, *near Manchester, and Stanlow* and Ince Marshes, both in Cheshire—Shell Chemicals employs just under 5,000. Many of the plant operatives are highly skilled and earn £39 a week or more.

By now many senior managers will have dusted down their copies of a Little Neddy *survey on manpower in the* chemical industry, published in 1967. It showed that for major companies in the industry, U.S. firms employed only 64 people to do the work of 100 in a *comparable (and hypothetical)* British company. To attain the same manpower utilisation as its American counterpart, the British company would have to cut its staff by 19 per cent. in production, 30 per cent. in control laboratories, 43 per cent. in maintenance and 44 per cent. in works administration.

British chemical companies have made considerable progress in improving labour productivity since the report was published. In the last three years nearly £700m. have been invested (at 1963 prices) in new plant for the chemical and allied industries, production has risen by 22 per cent., and the numbers employed has gone down. Between June, 1969, and last June, the decline was about 12,000, *bringing the total down* to 459,000.

Despite this progress, many chemical industry men have the uneasy feeling that the 1967 gap has not been narrowed appreciably. Complete equality *is a different matter* since it would not be economic to introduce the same labour saving devices here until British wage rates were level with those in the U.S.



Part of Shell Chemicals' Carrington Works, near Manchester, where plant closures and redundancies are expected.

1970 Sales per Employee

	$'000
Dow (U.S.)	40.1
Allied Chem. (U.S.)	38.2
Pfizer (U.S.)	37.7
Takeda (Japan)	37.5
Hercules (U.S.)	36.2
Mitsubishi Chem. (Japan)	36.2
Sumitomo Chem. (Japan)	35.7
Hitachi Chem. (Japan)	34.1
Merck & Co. (U.S.)	33.5
Du Pont (U.S.)	32.7
Monsanto (U.S.)	31.3
Cyanamid (U.S.)	30.5
Union Carbide (U.S.)	29.7
Sterling Drug (U.S.)	29.7
Ciba-GEIGY (Swiss)	23.6
Akzo (Dutch)	19.9
Solvay (Belgium)	19.6
ICI (U.K.)	18.1

Source: Chemical Age

18th in the league

The same feeling of unease comes from an international comparison of sales per employee. Although a very blunt instrument, there is a lesson *in ICI being 18th in the league* table, behind 10 American, four Japanese and three Continental chemical companies. Union Carbide, usually regarded as the American company most closely comparable to ICI, achieved group sales last year of $3,026m. with 102,000 employees compared with ICI's $3,618m. with 194,000.

ICI employs 142,000 in the U.K., almost a third of the entire staff of the chemical industry. Recently low demand and poor profits caused ICI Fibres Division to lay off 1,450 workers and there is every chance that a similar pattern will emerge in other hard-hit *sectors of the industry.*

There appears to be a growing determination among senior *management to winkle out the* hidden underemployment in jobs keyed to unprofitable products, inefficient plants and even brand new plants which require less manpower. For the chemical industry in the U.K. and on the Continent to regain its bounce and its profits, companies will have to grasp the same nettle as Shell, close down obsolescent plants and dispense with surplus labour.

MEN AND MATTERS

It's just the company she keeps

When is a confrontation not a confrontation? That is the vexing question that the executive of the Labour Party will be discussing to-morrow *morning at its pre-conference* meeting in Brighton. Centre of the discussion will be Mrs. Shirley Williams, a member both of the executive and of the shadow cabinet. The cause will be her scheduled appearance, *later to-morrow*, on a BBC/TV programme about the Common Market. Mrs. Williams is, of course, pro-Market. With her will appear, on the pro-Market side, Mr. Harold Lever and Mr. Michael Stewart. But as Lever is not on the executive (though he is Labour front bench spokesman on the EEC) and as Stewart is neither on the executive nor in the shadow cabinet any longer, *attention will focus on Mrs.* Williams.

For opposite her on the TV programme, among the anti-Marketeers, will be Mrs. Barbara Castle and Mr. Peter Shore. The accusation likely to be made is that Mrs. Williams is breaking the rule laid down by Mr. Wilson and accepted by all, that Labour members are free to advocate their particular views on the Common Market, as long as they do not engage in public confrontations, on platforms or on TV.

Mr. Bob Mellish, the Labour chief whip, has in fact telephoned Mrs. Williams, *suggesting that it might be* better for her not to appear in the TV debate. But Mrs. Williams says she is going ahead, and that anyway it is not a "confrontation" at all—she will merely state her view, and not get into an argument.

Of course, if in principle it is wrong for Mrs. Williams to appear in the BBC debate on *one side, presumably it is also* wrong in principle for Mrs. Castle and Mr. Shore to appear on the other side. Both are "confronting." But that would be to take a naive view of the real political situation, where *the anti-Marketeers hold the* upper hand in the Labour Party—and Mrs. Williams finds herself ranged, on the pro-Market side of the TV debate, with Conservative Minister Mr. Christopher Chataway.

"Couldn't we extend our council house policy and encourage passengers to buy their own buses?"

No haven on Sark

A RUMOUR that the blissfully feudal Channel Isle of Sark—Dame Sibyl Hathaway's domain—is about to be turned into a new bolt hole for off-shore companies, has been squashed by the man who started it. He is Mr. Louis Le Jeune, of the Silver Mines, Sark, a 27-year-old businessman whose family has insurance and commercial *interests in Belgium.*

Le Jeune settled in Sark 6 years ago, and has just set up *the nearest equivalent in living* memory to a Sark company. Few of the 580 Sarkese thought this was possible, as the island *was said to have no company* laws at all.

What has been set up is, in fact, an old French-style business partnership known as a "Société en Commandite" and springs from Le Jeune's discovery of a law dated November 1856 allowing such formations in Sark. Le Jeune has already been telephoned by someone wanting to set up a nominee insurance company on the island.

So *now he is anxious to dispel* any suggestion that Sark is about to be transformed into a "new Bahamas," based on the fact that Sark residents pay no taxes at all. He explained that "the type of formation envisaged by the Société en Commandite legislation is a very simple business arrangement *involving the managing partners* in unlimited liability, and it would only suit local residents.

"They would save themselves paying Guernsey corporation tax and registration fees. But the main advantage is that it is a way an islander on Sark could raise capital by taking in wealthy partners as shareholders, so avoiding the alternative of getting a bank loan."

Still, it shows that the hunt *for tax-havens is still on.*

One-sided dialogue

Business schools and industry profess themselves to be as keen to meet each other as they are ready to be rude about each other. Taking them at their word, the Industrial Society yesterday called both sides of *the education/industry gap to* a conference in London entitled "The Business Schools and Industry—Starting the Dialogue."

The dialogue turned out to be rather one-sided. About 25 men from industry paid the attendance fee of *£20 for* Society members (£28 for *non-members*). They included such senior men as Mr. Arthur Knight, deputy chairman of Courtaulds, and Sir David Watherston, group personnel adviser of Tube Investments.

The business school side sent only two top people—Dean *David Glen of the City University*, and Professor Brian Houlden of Warwick University. Manchester Business School did, however, send a representative, and so did Henley College. Cranfield would have done if its chosen representative had not fallen ill. But London Business School sent a letter apologising *for its absence and welcoming* in advance any businessman who cared to go to the school (of course). *And from the rest,* silence.

"Frankly, we are disappointed," said an Industrial Society spokesman. "The more so because, to encourage business school people to attend, we offered to let them in at half-price."

Sawing away

The *expulsion of* the Russian "diplomats" has given Whitehall unparalleled scope for indulging in one of its hoariest old jokes. "It's not 'Have you read any good books lately,' but 'Have you booked any good Reds lately?'."

Observer

Greater Manchester

Financial Times Survey

Lively metropolitan centre

By ROY HODSON, Regions Editor

The planners of the 1960s devised a vulgar shorthand for Manchester and the urban areas around. South East Lancashire and North East Cheshire became SELNEC in the jargon of committees. But the thought of being part of SELNEC does not captivate anyone who lives in the area. If you are a Bolton man, if your family roots are in Oldham, indeed if you have been brought up in the palmy atmosphere of Didsbury, you hardly identify overnight as a SELNEC man.

As the restructuring of local government approaches zero hour it is clear that SELNEC is as dead as the planners' memos which created it. What is going to emerge is a metropolitan county pivoting on Greater Manchester which will embrace some 2.5m. people and will very likely be called the Manchester Metropolitan County. The population of Manchester according to the census is 554,000. Clearly a very different concept of urban management from the traditional and understood form is going to develop as a result of Mr. Peter Walker's local government reforms. The whole scale of activity will be at least five times greater by the mid-1970s.

Imminent changes

Imminent and dramatic changes in the pattern of local government are going to change the maps and the attitudes of the North West. However, one seeks in vain for a general readiness in the Greater Manchester area to accept that this is going to happen and to prepare for it.

Manchester itself has applied the principles of corporate management in local government and runs what one senior official calls "a tight ship" nowadays. But Manchester, while remaining the authority at the bullseye of the Greater Manchester concept, will be only one of many when the new organisation is created. There is little evidence so far of really comprehensive planning by all the constituent authorities of the proposed metropolitan counties to ensure success from the word "go." Rather, they are still striving to achieve compatibility in their various individual schemes for redevelopment and expansion. A great deal of work will need to be done quickly if the old cotton towns of south Lancashire, Manchester itself, and the residential and industrial parts of North Cheshire are to be welded successfully into one viable unit.

The stranger may look at the map and regard the populous areas that stretch east from Manchester to the foot of the Pennines and west as far as Wigan, as a single industrial concentration epitomising the industrial North. Far from it. Within the confines of less than 50 miles of the industrial belt there is to be found an amazing diversity of human activity and habit. The spinners of Oldham have little in common with the miners of the Lancashire plain. The well-patronised tripe shops of Rochdale would hardly fit into the Altrincham scene. Somehow, by energy and good will this patchwork of activity and attitudes that will make up Greater Manchester has to be welded together into a single administrative unit.

Manchester is itself becoming more and more an artificial city, meanwhile, its function being to act as service centre for the surrounding millions. Put so baldly that reads like a sadly reduced state for a great centre of international trade. But it may yet prove to be the best thing that has happened to Manchester in a century. The removal of the cloying role of "cottonopolis" from the city and its replacement by the more workaday need to provide the gamut of services required by the large urban areas of South Lancashire and North Cheshire has poked and prodded Manchester into becoming a more interesting place.

Stirring itself

The planners have taken up the challenge vigorously. Whereas civic pride used to revolve round such artifices as the prospect of a formal civic way between the town hall and the law courts—a project which appears to have been quietly dropped now—the city is stirring itself on the greater question of catering for the surrounding hordes. Among the means being used are imaginative urban motorways, pedestrian shopping precincts, a new investment in leisure facilities, and—perhaps the jackpot idea of all the Manchester innovations—a £31m. project for driving the suburban rail links into central Manchester and connecting them all with an underground rail system. When completed this link, which requires three underground stations across central Manchester at Market Street, Albert Square and Whitworth Street, will effectively bring together the whole Greater Manchester conurbation. High capacity trains will run from Bolton through to Wilmslow and Macclesfield. British Rail will act as the operating agents for the area passenger transport authority.

When Manchester was the great factoring centre of the cotton trade and waggon loads of raw cotton drawn by horses toiled the 40 miles from the Liverpool docks the problem of communications seemed to have a neglegible impact upon Manchester's fast growth. Liverpool had its cotton "futures" market it was true but Manchester was without rival as the financial and merchanting centre for the spinners and weavers.

Paradoxically Manchester is now at the centre of the best linked system of motorways and modernised railways yet seen in Britain. But the industrial development of the area is proving painfully sluggish. Some of the possible reasons are discussed in this survey.

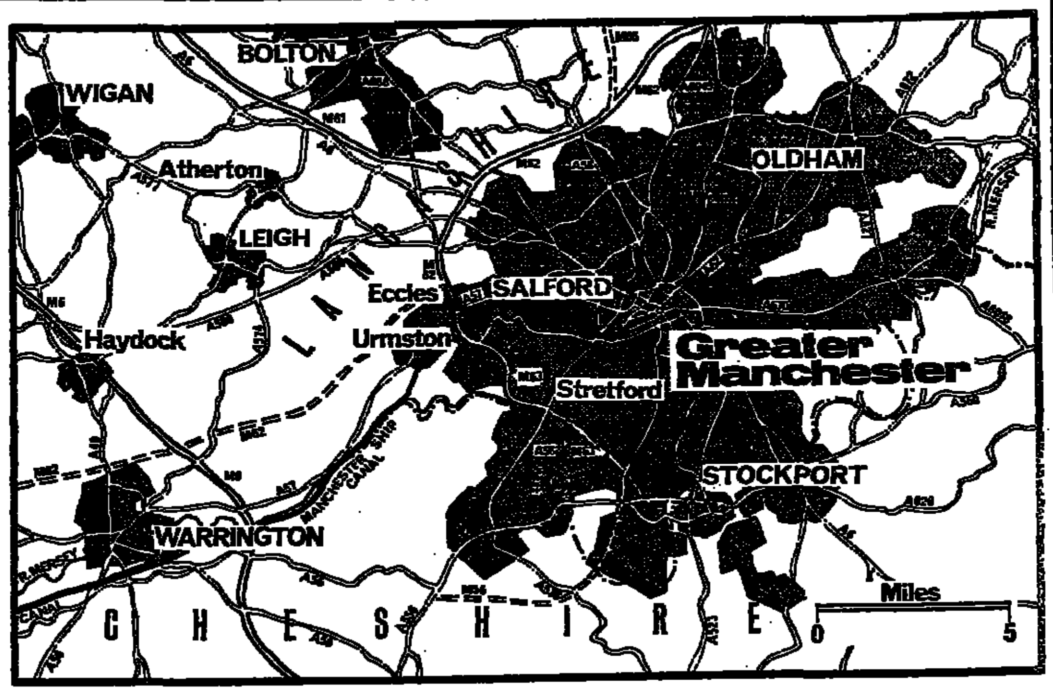
All that is clear so far since the completion of the vital motorway links across Lancashire and over the Pennines to Yorkshire is that storage and warehousing are exploiting the new communications but industry is still fighting shy of investing in the area. Bury, for instance, finds that its unused industrial facilities vacant and readily available for any industrialist who wants to settle amount to about 100 acres of land and nearly a ½m. square feet of industrial buildings—many of them spacious cotton mills. Similar figures are quoted by most other towns in the Greater Manchester area.

With a working population of more than 1,100,000 in the Greater Manchester area still mainly involved in manufacturing in spite of the growing activity of the service industries the city and the satellite towns are all anxious to achieve some sort of industrial stability. The post-war story for almost every district in Greater Manchester has been one of industrial decline as old industries have faded out and have never been adequately replaced by new ones.

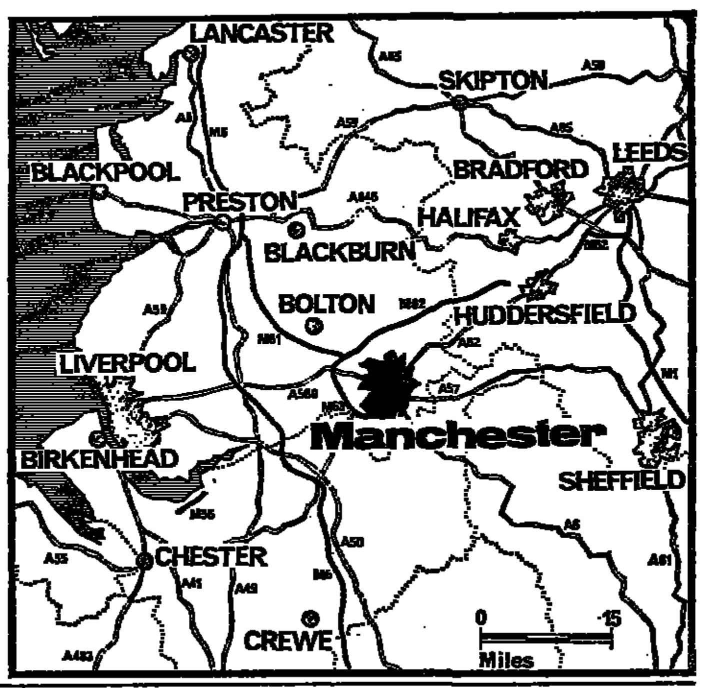
Working outwards

One deduces from present trends that the final emancipation of the area from its grim legacy of Victorian industry is going to be achieved by a process of working outwards from town and city centres. Already the heart of Manchester has been largely rebuilt while near the city centre former slums have been replaced by university precinct, the computer centre, and office developments. Salford has its university where the story of Coronation Street was, until recently, a real life saga. Similar accounts of progress can be given about the other urban centres hereabouts.

Between these centres, however, many square miles of dreary industrial suburbs still exist. The will to tackle them as a major problem to be swiftly overcome is now appearing. If the new local government structure can complete the job of wiping clean the face of greater Manchester a new wave of prosperity may well sweep the area in the wake of the bulldozers. Already it has become clear from the experience of Greater Manchester that stylish communications, glittering city centre buildings, and comfortable commuter suburbs for executives are not the whole recipe for prosperity in a great urban region. There must also be a quality and zest about every-day life for the man in the street. It used to exist in and around Manchester and it can be restored given a total will to work for the future.



The maps show (above) Greater Manchester and surrounding towns, and (below) the conurbation in relation to the neighbouring major centres in Yorkshire and Cheshire.



GREATER MANCHESTER II

Well placed by nature

By J. S. MILLAR, Manchester City Planning Officer

A glance at the map is sufficient to show how Manchester has developed as the centre of what at one time was the greatest industrial complex of the world, and these locational advantages remain with the city to-day. Strategically situated midway between London and Glasgow and located between the Port of Liverpool on the one hand and Hull and Humberside on the other, it is well placed to take advantage of trade with both the New World and the EEC.

The real impact of new communications is now making itself felt; already the M61 communication northwards, linking *Greater Manchester* with Preston and the M6, is completed, while the M62 now brings the West Yorkshire conurbation within less than an hour's motoring distance and is to be extended to Liverpool and Hull. Very soon, the vital link will also be completed to the M6 *southwards through* Wythenshawe, so that Greater Manchester will have a road transport network corresponding to the needs of the present age in the same way as the old canal and railway systems served the conditions of their time.

In addition, the modernisation of the trunk railway lines to London has reduced the journey time to two and a-half hours and locally the Passenger Transport *Authority is taking steps* to obtain Parliamentary powers for the construction of a new tube railway through the centre of the city. This will link together the improved and modernised suburban lines to give a speedy and convenient local system serving virtually all parts of the city centre and according to present plans, trains should be operating round about 1977.

Manchester is served by the country's major provincial airport; already this represents a capital value of something of the order of £25m. and work has started on an £8m. scheme for the improvement of passenger facilities at the airport to fit it for the new generation of aircraft and to cater for a continual expansion of services to all parts of the world, both passenger and freight.

Grey image

The main problem facing the area, however, is the image of greyness and obsolescence that is a consequence and evidence of its historical contribution to the industrial prosperity of the nation. If the potential of the area is to be realised, it is vital that its image is modernised and that its structure is modified to improve efficiency and exploit its natural advantages. A great deal has been done and is being done to remedy this situation.

Manchester's city centre is really the region's shop window. In recent years the plans for the renewal of the centre have begun to be realised and now progress is evident for all to see on the ground. Again, accessibility is a major factor and apart *from the planned tube* railway already mentioned, parking facilities are being provided to deal in particular with the demand from the shopper and the short term business caller.

In the rebuilding of the city centre itself, very strong emphasis has been placed on environmental quality. It is very much a joint operation between public and private enterprise and it would be less than generous of me if I were not to acknowledge the co-operation and understanding that in general we have received from developers, building owners and their professional advisers, in the implementation of the plans for the city.

The redevelopment of the metropolitan shopping centre had to be considered in very large-scale terms; it has taken a considerable *time* to consolidate the land ownership, and to conceive the new shopping centre that is to be developed, *right* in the heart of the metropolitan centre.

But now work has started. The Market Place Scheme is in course of development, while in Market Street demolition has taken place and a temporary shopping precinct is being erected to make possible the *main scheme which is* due to start next year. When this is completed, Manchester should have a covered and air conditioned shopping centre as good as anything in Europe or North America.

At the same time, conscious attention has been paid to the need to preserve certain areas such as St. Ann's Square and King Street, that contribute very much to the character of *the city* and were perhaps particularly reflective of those human values with which it has always been associated. Where new development is concerned, there has been a conscious effort in relation to the density and height of buildings to achieve a scale and character that are not overpowering but which at the same *time* reflect Manchester's position as a large city and a centre of civilisation.

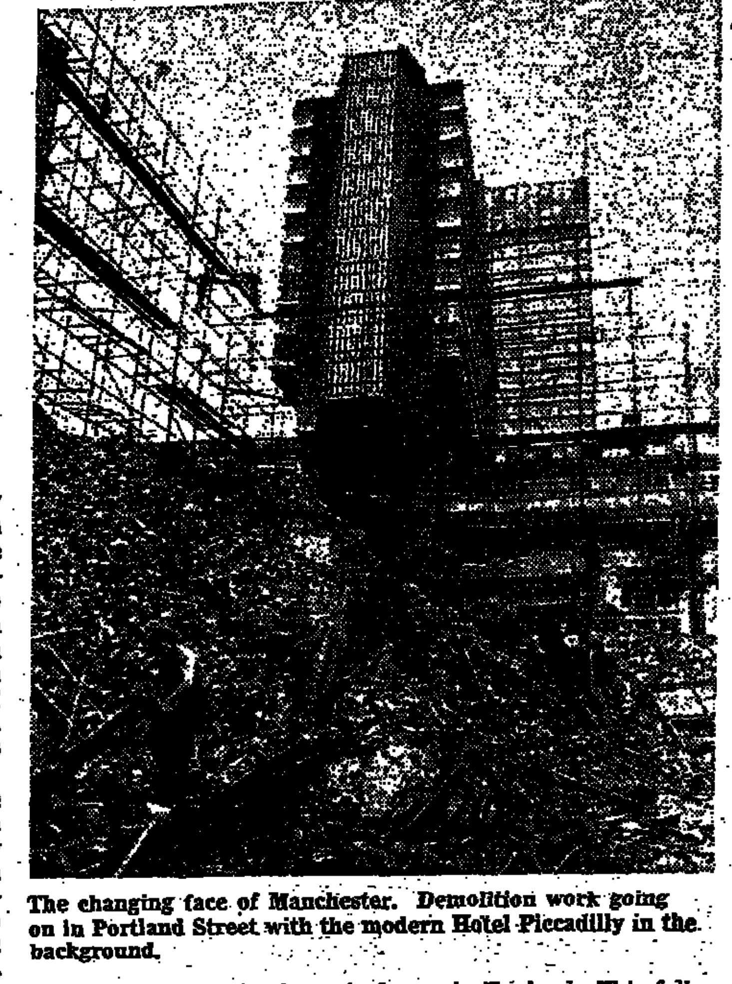
Probably nowhere in the city has the rate of change been more apparent than in the Higher Education Precinct, a comprehensively planned campus of three universities, namely, the University of Manchester, the University of Manchester Institute of Science and Technology, and the Manchester Polytechnic. The *new buildings* of the universities have rapidly taken place in what were previously areas of workshops, *old terraces, obsolete dwellings* and small shops, and when the precinct is completed, it will have a population the size of a substantial town—upwards of 27,000 students or 45,000 people altogether, right on the doorstep of the city centre. This is particularly appropriate in Manchester *where the university has* for so long been linked with so many *aspects of the city's life,* not least its industrial life.

Manchester has also long been famous for its music and its theatre, and the Goodman Report on Opera in the British Isles recommended that the North-West, and Manchester in particular, should be the site of the first provincial opera house in England. This follows the City Council's own proposal for an arts centre in the city itself to provide for extensions to the art gallery, a new theatre and a new film theatre, together with an opera house.

Development areas

The remaining field that needs to be tackled is that of industrial obsolescence, where firms in the area have been discouraged from improving their factories and extending their *operations as a result of policies* which have denied the benefits of the development areas to Greater Manchester, despite the great problems it has had with a changed economy and a 19th-century inheritance.

There is, in my view, a great and urgent need to ensure that the working conditions and environment in this area are no less favourable than in the south or in the New Towns, and positive encouragement should be *given towards improvement* of the industrial structure. This will be of particular importance if we join the Common Market and to ensure that we make the best of an area with tremendous natural advantages and great potential.



The changing face of Manchester. *Demolition work going on in Portland Street with the modern Hotel Piccadilly in the background.*

Poor image for many attractions

By JAMES NICHOLSON

With two internationally famous orchestras, five theatres, a brand-new forum at Wythenshawe, the biggest library out*side London* and two major football teams to support—plus good hotels, large department stores and nearly 100 night clubs—Greater Manchester, as a place to live, seems to stand comparison with any provincial city in Britain. Yet most visitors and too many long-standing residents of every age, sex and social class are apt to remain uncaptivated by what the city has to offer.

One explanation given by the Town Hall is that insufficient money is devoted to publicising Manchester's attractions. Large numbers of people remain unaware of the total scene and its potential remains unexploited. This may be partly correct but entertainments and other amenities, no matter *how* abundant, varied or publicised, do not determine the ethos of a city. Alone they cannot provide the *stimulus which makes living* there a satisfactory experience. Somewhere there must be an undercurrent of excitement which makes its presence felt day to day in normal living and working.

Such an undercurrent exists in London where the possibility of personal success can seem to be always round the corner. It exists in the bustling, buoyant city of *Sheffield where pride, skill and hard work* are still making good money for both employed and employing. In Liverpool it comes to the surface in the sense of permanent crisis of relations between people and establishment. During the 1960s it even existed in Newcastle. Fresh ideas, new *forms of business activity and* flashes of political vision seemed for a time to promise a more glowing future. In Manchester it is petrified in the architecture of the banks, insurance houses and civic buildings put up at a time when Manchester was the centre of a worldbeating textile industry in which fortunes could be made.

Unemployment rate

Manchester's glamour has declined in step with its economic *fortunes.* There are still growth industries like electronics, chemicals, food, drink and tobacco, which continue on a large scale but there is nothing to suggest that any of them or all of them together will restore the fortunes of the city in the immediate future. At the moment of writing, Manchester's rate of unemployment at 3.9 per cent. has just risen above the national level.

Manchester's economic problems which may be at the root of the present mood of the city are well documented. They are *the problems of declining in*dustry, migration and an environment scarred by blackened buildings and other evidence of outworn social capital. It is what remains of an environment created by previous generations *of industrialists, administrators* and workers. Indications are that this environment might now be creating the attitudes and actions of the present generation who live among it.

North-West Industrial Development Association representatives have repeatedly expressed the view that the out-dated buildings which house so many firms in the area not only lower productivity and morale, but accelerate social and economic decline. Professor McClelland, director of Manchester Business School, admits that local businessmen tend to be too conservative. Presumably he is saying they are too strongly under the influence of the past. In "Condemned," the recent Shelter report, Manchester is named as having one of the worst slum problems in Britain. Its slums are also pro*ducts of the past. They crush* and stultify the people who now live and grow up in them.

New vitality

Fortunately, there are some signs of a new kind of vitality *emerging in the city which is* independent of the past or present economic fortunes. It is related to the rapid growth of the universities.

If Salford University is included, Manchester's student population at present is about 15,000. At the beginning of the 1960s the figure stood at only 6,000. By 1976 it is expected to reach 25,000 and by 1980, 40,000. With teaching staff the university *population* will be almost 45,000. Manchester could eventually become the biggest university town in Europe.

This rapid expansion is already making an impression socially and visually. While the old and dignified buildings in the centre seem to preserve the spirit of the past the future is expressed in the university extensions which have sprung up cheek by jowl beside them.

Growth of the student population has meant that people are living once more in the city centre. For years people who work in Manchester have been forced by lack of accommodation to live well outside. North Cheshire has become a suburbanite paradise. A return of people to the central area could mean greater exploitation of the amenities mentioned earlier. Students are already important patrons of the discotheques, theatres and con*certs in central Manchester.*

Social effects of an expanding university population are being felt more directly in some cases. Student *organisations* are involving themselves in some of the more pressing *human problems of the city.* They are helping such organisations as Shelter to renovate dilapidated property and by *assisting* residents in the decayed areas to obtain social security and other benefits to which they may have rights. One student group has formed a Gypsy Liaison Committee to help gypsies to obtain permanent camping sites and education for their children.

There are of course other possible sides to the coin. So far Manchester's students have acted in a fairly moderate and *responsible way. They are* currently less concerned with occupations, sit-ins or demonstrations than with improving contact with trade unions and seeking greater influence on the structure and content of university courses. But the traditional conflict of generations involving students and the rest of the adult population goes on everywhere. Bigger universities could mean more *problems. Will Manchester be* a future witness to events like those taking place in Japan, the U.S. and parts of Europe? This might lend the sort of colour and excitement to life which a city is better off without.

Even so, the risk may be worth taking. Many of the students will be from overseas and other parts of Britain. Their thinking will not have been conditioned by the environment of Manchester. They may generate fresh ideas which will bring new methods of tackling its problems. Perhaps this is the only way to break the endless interaction of one generation on the city and the city on the next gene*ration which seems to hold* Manchester in a kind of vice economically, socially and to some extent culturally.

GREATER MANCHESTER III

University expansion still continuing

By CELIA LUCAS

From a student population of 2,750 at the end of the war, Manchester University has grown to a staggering 12,500 *this academic year*. The *main* university takes 9,000 students, 18 per cent. of them post-graduates, and employs about 1,500 teaching staff catering to *over 100 departments*. The remaining 2,500 undergraduates and 1,000 post-graduates attend UMIST, the University of Manchester Institute of Science and Technology, a *self-governing* body under the academic cloak of the *Vice-Chancellor*, the recently appointed Professor Arthur Llewellyn Armitage.

By 1977 the university is preparing for 11,800 students and UMIST for a further 1,500 bringing the total up to 16,800. The overall increase of 4,300 in *only five years is the equivalent* of nearly two new universities. By 1984 university students could number 20,000. With staff, both lay and academic, and the *10,000 or so students from* other colleges within the centre, the precinct population would reach the 45,000 country-town-size envisaged by the planners.

Recent addition

Every year brings a new department or research unit. A recent addition to the Education *Department* was the *Hestor* Adrian Centre to study the learning processes of the mentally handicapped. A Town and Country Planning Depart*ment has started* a *course in* landscape design. And this year sees the launching of a £60,000 research programme on pollution, a £40,000 investigation into the *problems* of *inflation* and the setting up of a Department of General Practice to study, among other things, the bedside manner.

Forged in the mid-sixties as a twenty-year project, Manchester's educational octopus *has now reached Phase 2. Uni*versity authorities stress that the maximum 1984 figures are only planners' statistics and government policy on higher education may suffer a complete reversal by this date. A *student* population of 15,000 may prove to be the maximum viable number. *Or the University Grants* Committee, the academics' fairy godmother, may become less generous with its donations. At present the university operates *on an annual budget of £12m.* and UMIST on £5m. Capital expenditure for building is granted by the UGC in addition. But given the present trend *towards extended education*, both under- and post-graduate, and the move towards more concentrated units of endeavour it looks as though the city within a city will become a *living* and thriving reality.

The educational precinct *which* has totally changed the face of South Manchester from *just beyond Oxford Road station* to the edge of Whitworth Park and from Cambridge Street on the west to London Road on the east, is a joint enterprise of town and gown. *As* education authority the city has already provided the campus with the John Dalton College *for adult* education and the College of Art *and Design*. Just outside the precinct boundary are the College of Commerce and the *Elizabeth Gaskell College*. And in the immediate pipeline are *plans* for new colleges of music, adult education and teacher training, all within the educa*tional centre*.

So far £26m. of university building is completed. The last *brick should be laid in 1984*. The Medical School, costing £5¾m., is the biggest single building ever authorised by the UGC. Started in November, *1969, and due to open its first* phase in 1973, it will be the largest medical school in Europe with 1,400 students—a 50 per cent. growth rate on present figures. *At clinical level it will* take students from St. Andrew's University, Scotland. Already *Withington is being geared to* join the Royal Infirmary as a second teaching hospital and Hope Hospital, in Salford, is planned to provide a third.

A £1¼m. extension to the 1m.-*item library is planned for 1973*. The merger with John Rylands library in the city centre, a treasure *house* of illuminated manuscripts and great scholarship, fulfils a cherished wish.

The Computer Building, costing £1¾m. [?], will serve not only *Manchester, but other universi*ties. The Department of Computer Science is one of the university's latest additions.

In recent years UMIST has *been spending an annual £1m.* on building. The chemistry building cost £2¼m. in 1967, last year the maths and social science block was completed at a *cost of over £1m.* and the mechanical engineering building now under construction is estimated at £½m. [?]

Business school

The new Business School, *which strengthens the already* close links between industry and academic life in Manchester, is a £1m. project. The school, like UMIST a self-governing body, *symbolises the close association* of town and gown which characterises this university, founded as Owens College by city merchant John Owens in 1851.

Town complements gown admirably in the rust-red brick £2¼m. precinct centre which *spans* the Oxford Road, *one of* the main arteries to the city's heart. *With the opening of the* the new term on September 27, 240 students move into flats in the precinct. Soon shops, *still* under construction, will open to cater for their every need. Beside food shops, cafes and restaurants (the modern student *does his own catering) special*ised shops are planned selling musical instruments, artists' materials and surgical instruments. A network of escalators *caters for leg fatigue*.

Nationally the student population has doubled since 1963 *and stands now* at nearly 230,000. By 1982 the number of places is expected to double again. At present only 30 per cent. of Manchester students are in university accommodation. *Professor Armitage* would like to see that percentage increased to 50.

The planners envisage 7,000 study bedrooms within the precinct itself by 1984, but with *their estimate of 30,000 students* from all the different colleges in the area this only touches the tip of the iceberg. For the next quinquennium the university *plans* 2,000 residential flats, 1,200 of them within the *precinct*, to be financed by loans raised by the university itself.

UMIST hopes to have hous*ing for about 500 students* ready for occupation by next academic year. Said Professor Cruickshank: "We have a crisis of beds. Unless the accommoda*tion problem* can be *solved* neither we nor any other university will be able to expand in the way we would like."

In addition there are, of course, the traditional halls of residence accommodating over *3,000* students *and the students'* village of Owens Park which takes a further 1,000. But future development lies obviously in flat accommodation where men and *girl* students *are housed in* the same buildings and not in the segregated halls. Disappearing, too, is the traditional "dining in hall"—the high *table, the gowns, the grace* before meals, the ceremony. Instead the student of tomorrow will prepare his own meals or eat in the canteen supplementing *his diet* with coffees in the Students' Union.

The proportion of women to *men at* Manchester University has always been favourable to the women who, in striking contrast to Oxbridge, are now outnumbered only by three to one. *Manchester also has one of the* highest percentages of overseas students of any university.

Vast improvements in communications

By JAMES NICHOLSON

To anyone who accepts the *idea that development of com*munications stimulates economic growth, Manchester presents some intriguing contradictions.

At Manchester Airport, now *second* in *the country for* volume of goods handled, freight traffic has jumped 11 per cent. from just under 38,000 metric tons in 1969 to just over *42,000 last year. The variety of* freight handled is wide-ranging. In the words of one official it takes in everything from machinery to dolphins.

Forecasts are that by 1982 freight tonnage handled at Manchester will have reached 400,000 metric tons. To cope with the increase a freight village covering 30 acres will *eventually be created on land* adjoining the airport.

Increases in passenger traffic are even more impressive. By the end of this year it is *expected that* well *over* 2m. passengers will have used the airport. In recent years numbers have been rising at the rate of 15 per cent. *annually. Most of the* increases are on international routes. More local people are taking *packaged tours overseas*. More visitors from North America are *using Manchester as a base for* holidays in Northern Britain.

Very soon Manchester will be taking Jumbo Jets and it is estimated that the volume of *packaged tour passengers will* reach 5m. by 1982. Between now and then £20m. is to be spent on a new main runway, multi-storey car parks and other *facilities*.

The only relatively dull spot in the picture of air communications is in domestic flights. Passengers carried has in*creased from 657,000 in 1969 to* only 686,000 in 1970. This comparatively static position is believed to be a direct result of competition from British Rail. Since electrification of the line from Euston the time from city centre to city centre is a smooth *and silent 2¼ hours. Manchester* is already one of the most accessible provincial cities in the country.

Outer ring road

By the early 1980s it will be very much more accessible not only by air and rail but also by road. Calculated on 1968 values, *over* £250m. will be spent by 1984 on completing motorway links and easing transportation within the city.

Within the next six years Manchester will have an outer ring road encircling the main *part of the conurbation and* linking with M62 to Liverpool, Leeds and eventually Humberside: M56 to North Cheshire and the M6 to London, the Midlands and the Central Valley of Scotland.

While some of these developments are still only in programme, others like the M62 to Liverpool which opens in *November, are nearly complete.* At the moment only a direct *link with the industrial* area around Sheffield has been left out of published plans but indications are that this will not be for very much longer.

Within the city *most of the* major routes are already being improved or, like Princess Park *Radial*, which goes South to join M56, are under new construction. Other radial roads currently in programme will follow the line of Hazel Grove A6 and of the A57 eastwards. The inner ring road will be open sometime *in the mid-1970s*, according to current plans.

When that time arrives, Manchester *will* be not only one of the most accessible cities in the country but *also one of the* easiest in which to move around. Even so, the beneficial effects of these improvements on the local economy have recently *been brought into* question by industrialists, local authorities and the North-West *Industrial* Development Association.

Only growth industries can really *reap the full* benefit of modern communications. In Manchester and the *North-West* generally there is still too much declining industry set in a declining environment.

After 30 years of effort to bring prosperity in the regions of Britain, *it is clear that the* economics of development and expansion are not at all clearly *understood. It is an area of* study and experiment where there seems to be little firm *ground*.

It may be that in some situations development of communi*cations is in fact the key to* prosperity. In others increased transportation may be a by *product of a basically strong* economy. Success may depend on the right mix of industry *in an area or the right amount* of Government aid.

It may depend on more economic factors like breaking the grip of history and environment on a region, which is what Mr. Chapman may be suggesting. If all the investment going into *improved communications* in and around Manchester results in easier and pleasanter *travel and freer movement of* people and goods, a step in Mr. Chapman's direction will have been taken anyway.

GREATER MANCHESTER IV

Still a significant financial centre

By DAVID TATTERSALL

Like the concentration of industry around it, the financial and business hub of Greater Manchester is now more diverse and comprehensive than at any time in its history. By tradition and general acceptance it is based on the City of Manchester, mainspring for so long of the banking, commercial and trading activity of the conurbation. In earlier days it was the largely autonomous, self-contained financial centre generating the means by which Greater Manchester built up a dominant manufacturing reputation from the Industrial Revolution onwards. This was especially true in the context of the cotton industry; but boom had a habit of being followed by slump and in retrospect some local banks were perhaps too closely identified with the fortunes of that industry.

Market place

The symbol of Victorian Manchester's greatness was the Royal Exchange, a market place on the grand scale for the buying and selling of cotton goods produced by the world's greatest manufacturing industry. There were 280 cotton towns and villages within a 12-mile radius and 19th-century records noted: "The Manchester Exchange is their sovereign mistress." Now the trading floor that was once the largest commercial room in the world stands empty as Prudential Assurance, its present owner, decides what to do with it. Meanwhile, a Manchester Cotton Exchange maintains a much truncated link with tradition in premises elsewhere in the city centre.

The business and financial world around the Royal Exchange has changed, too, but not for the same reasons. There has been a good deal of expansion. There have also been changes in basic structure, reflecting national trends. One effect of the move towards larger groupings of joint stock banks has been a reduction in the number of banks with headquarters in Manchester. District Bank is now part of National Westminster and Williams Deacon's is now Williams and Glyn's. But the Co-operative Bank has headquarters in Manchester and like the wider co-operative movement is historically linked with the city. But if some others have moved away following larger groupings it has still left their Manchester offices with a significant role as regional bases and the links with local industry are still close.

One of the more satisfying additions to the central Manchester skyline in recent times has been a new eight-storey building housing the Manchester head office of Barclays. This year the Bank of England exchanged its long-established premises in the banking and insurance setting of King Street for a handsome new building close to Piccadilly. The Bank of England established a branch in Manchester as long ago as 1826 and its direct association with the financial world of the conurbation has continued ever since. The first provincial clearing house in England was established in Manchester in 1872 and grew to become the greatest of all provincial clearing houses.

But if bigger groupings in more recent times have meant some loss of local autonomy to London there have also been developments which have contributed significantly to the diversity and scope of Manchester as a financial centre. More foreign banks have established branches in the city and perhaps one of the most interesting developments of all has been the arrival of a number of well-known London merchant banks. The immigration rate has been rising and the services offered, backed up by London-based resources with ready access to specialised advice if needed, now cover a wide field. At the same time there has been a steady growth in Manchester finance houses offering a whole range of support for industry, commerce, and the individual customer.

The Manchester Stock Exchange is no new arrival (it was established in 1836) but like the rest of the city's financial organisations it has been caught up in change. It is now the Manchester floor of the Northern Stock Exchange, one of the two major trading elements in a federation which brought together nine northern exchanges in 1965. Steady progress has since been made and the concept of amalgamation has been vindicated in many ways, not least in the new region-wide liaison which has brought about a freer flow of business. "At the beginning we did not really know each other at all. Now we know each other a lot better and we do business more freely because of that," said one Manchester brokers' leader. The creation of jobbing facilities, supported by a wider base, became possible and the number of securities dealt in has been gradually extended. "I am quite sure that the amount of business flowing through the exchange here has grown very considerably since federation," he added.

Labour saving

The computer operations of the Northern Stock Exchange, a pioneer of computerisation in this field, are based on Manchester and quickly demonstrated their value in time and labour saving and better service to broker and client alike. One of the hopes at the time of federation was that more institutional business would be channelled through the Northern Stock Exchange and this has been happening. The trend towards larger broking units has continued, there are no longer any one-man firms, and the size of some of the operations can be gauged from the fact that some Manchester brokers can suggest the probability of incorporation status being sought at some time in the not too distant future.

One thing the Northern Stock Exchange has not yet been able to achieve is publication of its trading turnover. Nevertheless, it is considerable and one benefit of amalgamation, particularly in the case of Manchester, has been the volume of business flowing from well outside its geographical territory. One asset which amalgamation and the trend towards larger broking units has not interrupted in any way is the Manchester exchange's emphasis on personal service. "It means that a client can invariably get speedy and direct access to the partner he wants to see, which is something he may not always be able to do in the case of a very much bigger exchange," said one broker.

Business advice

By a Correspondent

If you are a Manchester businessman, how do you find out who makes what? Or where you can find components and raw materials? Or how best to transport materials? The answers are all available through the Manchester Chamber of Commerce and Industry, which over 150 years has become the regional nerve centre for an area which has had an increasingly important industrial role to play.

Industries have to face up to the changing patterns and methods of production and new thinking on marketing and export. The Chamber is able to provide statistics and information about British trade and industry. Besides providing information, the Chamber helps its members find likely markets for their products and puts them in direct contact with possible customers at home or abroad.

Where necessary the Chamber of Commerce issues certificates of origin, delay, identity or approval. The certificates are accepted as authoritative evidence in cases of dispute.

Since the membership of the Chamber is drawn from every walk of legal, industrial and commercial life, a pool of expert knowledge is available for the settlement of problems.

This information—built on the assessments and capability of leaders in their individual fields—is channelled through standing committees which advise on special subjects and prepare reports and memoranda forming the basis of Chamber action.

In the U.K. the Chamber's work is linked with that of neighbouring Chambers of Commerce and it provides the Regional services for Chambers working in the North-West. As the principal Chamber for the area it has the task of co-ordinating the policy of Chambers throughout the region. They meet regularly to discuss policy on such matters as national and regional planning, legislation affecting industry and commerce, road, rail and air transport, education, industrial location, fuel supplies, telephone services and productivity. The Manchester Chamber supports many national and local campaigns and promotes industrial seminars and exhibitions.

A new visual display unit developed by the Electronic and Display Equipment Division of Ferranti Ltd. being tested at the company's factory at Wythenshawe, Manchester.

The Chamber's export services provide a day-to-day involvement with its members because its expertise in this field is in constant demand. A very important development which has led the Chamber to more direct involvement with export salesmen has been the formation of selling missions to both major and lesser-known markets.

Business visits

Firms represented on missions have the advantages of advanced planning arrangements and full opportunities for making top-level contacts in the countries concerned. During their travels they are able to make business visits according to their own particular requirements, using the Chamber resources for help with market research and for obtaining information on conditions in the relevant country. Missions during 1970 visited Scandinavia, Brazil, Argentina, New Zealand and Australia. This year visits have been made to Lebanon, Iraq, Kuwait, France, Switzerland, U.S.A. and Canada. Planning is in progress for missions to the Middle East, Caribbean, Mexico and Venezuela.

Many member firms have taken advantage of travelling under Manchester sponsored missions and it is estimated that extensive export orders have resulted from the Chamber's missions over past years.

Looking at the picture from the other side, trade delegations from many countries have visited the Chamber in the past 12 months for talks about business possibilities, while Ministers, Ambassadors and individual businessmen from abroad have been welcomed in Manchester.

One of the services the Chamber of Commerce has to offer industrialists is the testing house at Didsbury which for more than 70 years has operated an impartial service which has become recognised and accepted throughout industry, in the courts, and by Government departments.

The testing house tests everything from textiles to toys, as well as a wide variety of industrial products. Self supporting and completely independent in its findings, it undertakes a range of work which would have astonished the textile tycoons who set it up in 1895.

As British entry into the Common Market draws nearer the Chamber is preparing itself to provide its members with information on all the new factors affecting industry and commerce which will arise as a result of entry. The ability to adapt to new trends, shrug off depression, and keep abreast of constantly changing patterns in industrial and commercial life is an acumen for which Northern businessmen are noted.

The Chamber is the organisation specifically designed to maintain and foster this spirit, and its role in the immediate future will become increasingly important, not only for Manchester but for the entire North-West region.

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GREATER MANCHESTER V

Warehousing evolves into massive distribution complex

By TOM HEANEY

When Queen Victoria once rode through the centre of Manchester she made an instant regal judgment of what lay before her. "There are no very fine buildings, the principal large houses being warehouses," *she noted.* Little *did she realise* that 120 years later the frontages of some of Manchester's Victorian warehouses would be considered of such architectural merit as to warrant conservation, leaving present-day developers with the task of marrying them to modern office, hotel and shopping interiors.

But central Manchester is no *longer* a merchant princes' boulevard of giant warehouses. Like most other city centres it has changed considerably and will do so even more in the future. Yet Greater Manchester, taken in its entirety, has now developed a storage and distribution complex wider and more diversified than anything it has known in the past. From a central core of warehousing created to house the finished products of a Lancashire cotton industry, once the world's largest exporter, Manchester's distribution base has been progressively moving away, chang*ing its emphasis, broadening its* scope and spreading itself across the conurbation.

Mail order growth

A typical example of the swings and roundabouts situation which *has* characterised recent industrial history in South-East Lancashire is provided by the growth of the mail order industry. Contraction in the basic industry of cotton which contributed to the decline of the great central Manchester textile warehouses in turn left spinning mills, often structurally sound, standing empty in many of the towns around Manchester. With them went a ready-made labour force. Mills and workers quickly found themselves absorbed into mail order.

Bolton in particular has become a significant centre of mail order activity. Some half a dozen firms are now operating in the area, including Littlewoods and GUS. Oldham, another town where cotton spinning was once dominant, has also developed as a mail order centre, as has Stockport.

Manchester itself has traditionally been an important focus in the £500m.-a-year mail order industry and this summer a new 200,000 square feet headquarters was opened for the British Mail Corporation, the mail order division of GUS. Eventually it *will house 1,750 staff to process* the thousands of orders coming in daily. GUS mail order division now has well over 13,000 employees in Lancashire alone. A £3m. office rebuilding and modernisation programme had *seen the opening of new estab*lishments at Bolton, Widnes, Preston and Burnley. The Eccles warehouse, near Manchester, alone despatches no fewer than 40,000 parcels a day.

This year has also seen the opening, this time by ICI Organics Division, of what is claimed to be the biggest warehouse of its kind in Europe. This huge new distribution centre, costing more than £2m., spans an area equal to five international football pitches. It can hold 500,000 individual packages totalling 25,000 tons, processes 1,000 orders a day, and provides a delivery channel for more than 3,500 separate products of ICI's top exporting division. The new centre, holding stocks from factories in Scotland, Lancashire, Yorkshire and Cheshire, is at Heywood, 9 miles north of Manchester.

The choice of site is significant and goes a long way towards explaining why Greater Manchester has become such a *distributive focus, employing* well over 100,000 workers. Apart from the over-riding fact that half the population of England and Wales can be found within 100 miles of Manchester and that a vast market lies within the conurbation's boundaries and immediately beyond its doorstep, there is now a new-found advantage in Greater Manchester's access to motorways, backed up by developing rail, sea and air freight communications.

The network of motorways is itself generating new commercial activity. The first trans-Pennine section of the M62 motorway is now open and work is going ahead to extend it from Merseyside to Humberside; the M61 *Manchester-Preston motor*way links with the northbound M6, and there will soon be faster links to the southbound M6. New stretches of motorway are shrinking journey times between Greater Manchester and North Cheshire, the Wirral and North Wales.

Freight expansion

Greater Manchester has a growing Freightliner network, the Port of Manchester has helped to pioneer seaborne container traffic, and the city's airport is embarking on an £8m. air freight expansion, including a 100-acre handling complex, to meet traffic which is expected to increase from last year's 40,000 tons to 400,000 tons by 1985. The new "freight village," geared for the age of jumbo jets, is planned to become operational by 1974.

Typical of the new location attitudes fostered by the spread of motorways is the case of *Wright and Green, a large* North-West food group now part of Associated Food (Holdings). Even before the trans-Pennine section of M62 was finished it chose Middleton, five miles north of Manchester, as the site *for a new centralised 146,000* square feet administration and warehouse complex. "Our trade area stretches from Birkenhead and the Wirrall all the way across the Pennines to Leeds and the new M62 will run like a spine right across our terri*tory," says Mr. Nigel Green.* "It was an ideal site for our purpose and right from the start the advantages have been positive."

When another big food group, S. and W. Berisford, decided to move its headquarters from the centre of Manchester after 100 years, it chose an area with plenty of scope for manoeuvrability and expansion yet strategically sited for the M6. Now its headquarters and warehouse centre at Holmes Chapel, Cheshire, on the fringe of the conurbation, has been reinforced with a new £50,000 pre-packed foods factory. Again, when Makro, the giant Dutch-based wholesale supermarket operator, decided to spread its wings in Britain it chose Eccles, near Manchester, where it now occupies a 140,000 square feet building carrying 35,000 lines, claimed to be the largest wholesale cash-and-carry warehouse in this country. Again, too, motorway accessibility is significant and still developing.

The great industrial estate of Trafford Park, not far distant, also has direct access to vastly improved road communications. But it is a symptom of the run-down of some of its big engineering plants, rather than any preconceived plan, which has brought about a change in the structure of Trafford Park and its emergence as a storage and distribution centre as well as a *manufacturing* base. The distribution industry which has taken over some of its former factories may not be labour-intensive but at least it is making worthwhile use of factories which might otherwise be standing idle.

Once it was decided at Ministerial level that the Distributive Industry Training Board should operate from somewhere other than London there was no problem over choice of site. The Board, covering more than 2m. workers, has headquarters at Old Trafford, near Manchester. The biggest union in the field, the Union of Shop, Distributive and Allied Workers, is also Manchester-based. The biggest organisation of all, the Co-operative Wholesale Society, is *historically linked* with Manchester.

Fast delivery

As distribution in all its facets widens its scope and spreads its location throughout Greater Manchester, with the prospect of more growth as communications improve further, one little-known side of the area's distributive activity is flourising and winning global business which would never otherwise have found its way to Manchester. The "Flying Fish" service launched by Manchester Liners, in which fast world delivery times are guaranteed by using a permutation of air-sea-air transit at substantial savings over all-air freight, means that trade horizons are now set as far away as Japan, Australia, the Middle East and the mainland of Europe, as well as Manchester Liners' traditional market of North America. Shipping cosmetics from Paris to Montreal by way of Manchester is certainly a far cry from the times when distribution meant carrying bales of cotton by horse and cart or canal barge from Manchester to Rochdale.

Industrial structure resilient to change

By TOM HEANEY

The employed population of Greater Manchester is greater than that of the whole of Wales. It totals more than 1.1m. and that in itself goes a long way towards explaining why, by any yardstick, this crowded area is such a manufacturing force. Its product range is formidable and its export *achievements* considerable. Its manufacturing traditions are deep-rooted and it has a skilled labour force. On the other hand, it is one of Britain's oldest industrial zones and has seen not only the progressive agging of many of its physical assets, only partially compensated for by new development and renewal, but fundamental—sometimes extraordinary—change in its industrial structure. The challenge of superimposing a shifting pattern of *industrial activity* on to an old background has become harder.

Yet, frequently within the limitations of a basic framework set 50 or even 100 years ago, Greater Manchester has *made progress. Its industrial structure is more* diversified now than at any time in its history. Its labour force has shown a characteristic flexibility and adaptability. Its communications are better than they have ever been. Unemployment has consistently been below the regional and national average. It has moved easily into many of the newer technologies.

Coal and cotton

At the same time Greater Manchester has lived through and felt the impact, directly or indirectly, of a period of rapid contraction in two basic North-West industries. The Lancashire coalfield has been sharply reduced in size under the Coal Board's programme of phasing out pits whose *coal reserves* are exhausted or otherwise uneconomic to work. Here again the area has paid the price of industrial age. But the largest new colliery in the coalfield, Agecroft, which by last year had worked up to a production *level* of 860,000 tons, has been built in the conurbation.

Yet the contraction of coal, in scale and number of workers involved, becomes relatively insignificant against the spectacular rationalisation of cotton. It is difficult to imagine any other British industry in which a post-war cutback in manpower from 320,000 to 100,000 would have passed without industrial strife. Yet the spinning and weaving industry has shed two-thirds of its labour force and the process of concentration, still continuing, has not provoked a single token strike. It is no longer valid to *talk* even of places like Oldham and Bolton, whose yarns once earned them a world reputation, as "cotton towns." Bolton, for generations the hub of the world's biggest fine spinning centre, has lost four mills so far this year alone and is now down to a nucleus. Some "cotton towns" have said farewell to cotton altogether.

The fact that massive upheaval in two basic industries has not precipitated large-scale unemployment is remarkable. In the case of the traditional cotton area there are two main reasons for this. In a community where a substantial proportion of women have traditionally gone out to work (the present total employed population of 1.1m. in *the conurbation includes nearly* 450,000 women) many decided to call it a day and stay at home when their mills closed. This is not the sort of decision to be reflected in unemployment statistics.

But while this must always be a predictable possibility with women workers, especially when they are married and have families, the transformation that came over many of the former mills had not been foreseen. *Scores of them quickly found* a new lease of life for purposes as diverse as electrical manufacture, rainwear production, plastics, cigarettes, cosmetics, domestic appliances, even frozen poultry and Christmas stocking packing. Many of the *mill buildings were structurally sound* and could be picked up for anything from 25p-75p per square foot, with rents ranging *from 2½p-12½p per square foot.*

In a region where the issue of industrial development certi-

Continued on Page VII

GREATER MANCHESTER VI

A home in the country

By IAN SKIDMORE

The sudden spring of easier loans and the willingness of industry and commerce to help middle executives with the formidable expense of new houses has brought a fresh impetus to the fashion for a home in the country.

In the Manchester area, Cheshire is traditionally the most popular for this sort of executive development and its desirability is reflected in the spiralling price of land and houses there. In Wilmslow a quite ordinary quarter of an acre site can command as much as £2,500 while a really attractive site of similar size with planning permission can cost £5,000. In Alderley there is a shortage in the £5,000 to £20,000 range largely brought about when ICI opened laboratories in Alderley Park and brought in a labour force of 800 technicians.

Country cottages

Country cottages, restored to a degree of comfort that would have amazed their earlier tenants, the farm labourers, are seldom to be had at prices lower than £5,000, and once again really desirable properties can command much, much more. The great houses in which the Victorian merchants made their homes on the lower slopes of Alderley Edge and in the pleasantly wooded country which surrounds it have, many of them, been demolished and the gardens developed with three or more smaller houses for families with less time to spend on gardening or little hope of finding a gardener to preserve at least the illusion of country life.

First Bowdon, Mere and then Knutsford have in their turn been developed, some feel with diminishing sensitivity in the lower price sectors, to provide new homes for businessmen prompted largely, estate agents believe, by the ambitions of their wives to whom a home in the country has the mystic appeal of advanced status.

Life in rural Cheshire, it is true, has many advantages. It offers, for example, a bewildering array of leisure activities.

At the week-end the families who live there can go motor-racing at Oulton Park, dinghy sailing at a number of clubs—when vacancies occur in the bulging membership—or on Tatton Park lake, surely the only council-owned stately home in the country. Stately home visits could not be easier. Many of the great houses of Cheshire, founded by those early commuters the Normans, at a time when the county was a kingdom with its own laws, are open to the public.

Wilmslow, where 36 per cent. of the population are in the A/B social group, has three football clubs, two amateur dramatic societies, an archery club, a badminton club, a chess club, an angling association, an historical society, an orchestral society, a bowling club, a branch of the Civic Trust and hockey and Rugy Union clubs. Lindow, its offshoot, has a rotary and a social club, while Alderley's attractions range from a branch of the Footpath Preservation Society to a Conservative Club. Handforth nearby has two tennis clubs, a Townswomen's Guild and a flourishing Liberal Association.

Much of middle Cheshire is still valuable agricultural land although an increasing amount is being used to develop industry and new towns for its workers. But an improved road system is making it possible for more ambitious commuting, leap-frogging the middle of the county.

Thus an increasing number of Manchester-based businessmen are coming as far afield as Chester to make their home and building land in the city has sold for as much as £12,000 an acre. At Beresford Adams, the oldest and largest estate agents in the city, I was shown plans for a development of £20,000 houses on the banks of the River Dee each with its own moorings in a proposed marina which will be bought, the firm believe, by Manchester and Merseyside executives.

Senior management

Such long-distance commuting is largely the prerogative of senior management although there is a danger that men at this level in their long ranging search for a country property may find themselves in country already heavily grazed by the larger population of middle management from the nearer Potteries and Merseyside.

Whelmar, which has built extensively on the Northern side of the city, may have found the answer in an enclave for the more financially fortunate which the firm is building in the heart of the Delamere Forest near Cuddington on land which was once the home of the Wilbraham family.

The four hundred houses and bungalows which are being built on an enclosed site there will range in price from £11,250 to £20,000. All have garages for two cars, central heating and each differs from its neighbours in some aspect of its design.

The scheme was the brain child of a senior executive of the company Tom Baron. He has designed a total environment which by 1974 will include a £20,000 country club, a village green large enough to take a full-scale cricket match and a 17 feet by 38 feet heated indoor swimming pool.

As Cheshire's popularity increases to the point where the house has succeeded the caravan as the farmer's most profitable crop and land on which in earlier days he could not even grow tired is now cropping fruitfully with bricks and mortar so too is Derbyshire becoming popular, notably in the High Peak district which includes some of the most dramatic countryside in the north and the splendid granite spa of Buxton.

If it is true, as locals tell you, that three-quarters of the population of England live within fifty miles of Buxton, it is not immediately apparent in the graceful streets of the town. Yet Buxton is finding increasing favour, particularly among sales executives. It costs less to live there than it costs in Cheshire and the town and the country round it is within handy motoring distance of both M1 and M6.

Industrial Yorkshire, the Midlands and the Lancashire industrial fields are all within commuting distance and an hourly train service for the 48-minute journey to Manchester makes it a very attractive prospect. Although the restrictions on development in the Peak National Park inevitably reduce the number of houses available there is no shortage in the £7,000-to-£9,000 range. House prices are increasing. A house which cost £4,250 nine years ago is selling now at £6,500. But much faster development is on the way, some believe.

Obsolescence and engineering

By MICHAEL CASSELL

Engineering is synonymous with Greater Manchester, and the problems currently besetting the area as a whole can be seen nowhere more clearly than in this major industrial sector.

Trafford Park, one of the oldest industrial estates in the world which once endowed upon its residents an international status of the highest order, is fast becoming an area of old, invariably empty, factories whose only use seems to be for storage purposes.

While the country's engineering and electrical goods industry grew by 8.5 per cent. between 1961 and 1968 and by 4.3 per cent. in the north-west, it suffered a decline of just over 8 per cent. in the Greater Manchester conurbation, a sad picture for an industry which provides more than a quarter of the area's manufacturing employment. In 1961 it supported 170,000 workers but by 1969 the figure had dropped to about 156,000. To-day, it is lower still and the decline looks far from over.

The situation is hardly new. The region's record of economic growth in recent years has been poor and successive governments appear to have had little success in relieving the plight of the area.

Some progress

The major problem, as described by the North West Industrial Development Association, is one of "obsolescence and a decaying environment" in both industrial and non-industrial sectors, although some progress is being made in improving the latter.

For industry the situation is clear. Modern engineering techniques are hardly suited to the Victorian surroundings in which, in far too many cases, they have to be applied. The fact that some of the industries are experiencing a natural, long-term decline which is not balanced by the creation of new employment is hardly calculated to improve matters. The major concern for the engineering sector must be to ensure that it does not become enveloped in the mounting stagnation which surrounds it in so many respects, for engineering must keep pace with world demands or lose out to voracious competitors.

Development areas

The Association has already done much to press for measures which would improve the whole region's prospects, not merely those of the engineering sector. It has pointed out that while development and intermediate areas offer a variety of inducements to industry which can act as an effective magnet for investment, there are no such attractions for south-east Lancashire and north-east Cheshire.

What is more, industrial development certificates are not granted for new industry wishing to expand in a large part of the area around Manchester, a situation the Association calls "positive discrimination" against the region in its effort to renew an outworn industrial structure inherited from the last century.

Local authorities, too, feel that the vast potential contribution of the conurbation to the nation's prosperity is being ignored and they have not wasted time in expressing this point of view to the relevant Ministers. Only recently, Sir John Eden, Minister for Industry, heard their proposals for injecting new life into the area and next month the Prime Minister is due to discuss the outlook for the region in Manchester.

Of major concern to the authorities is the amount of derelict land to be dealt with, land which many companies would be glad to get their hands on and which could prove of vital assistance in revitalising the engineering sector. Grants of up to 75 per cent. are available to deal with this land but there are now demands for increasing this figure to 100 per cent.

Idle land, however, is only part of the problem to be overcome. A great many of the buildings currently used by engineering companies are themselves obsolete and make efficient production schedules impossible. But neither these buildings, nor the land, can qualify for grant assistance if they are partially occupied and, therefore, not derelict in the sense currently accepted. A change in the meaning of derelict is now being sought.

The authorities are also worried about the government's intention to reduce from 30 per cent. to 15 per cent. the initial allowances on new industrial buildings which are provided for companies embarking on development programmes. In the development areas, these are to be continued at 40 per cent. and a great many people in the Greater Manchester area feel the state of the region should make similar arrangements possible for them as well.

A major part of the move to see that the region does not waste any more of its potential rests on the future provision of grants to enable companies to renew or modernise their old premises. This, it has been suggested, could be done by making building grants available, irrespective of whether new employment is created, by tax incentives or by a system similar to that used for the provision of housing grants. In the Association's opinion, provision for new equipment should also be considered.

The picture can easily be painted to look black but, of course, the area still remains a major centre for engineering which many of the sector's largest and most influential companies readily appreciate.

Natural home

The list of major organisations actively participating in Greater Manchester's engineering activities runs into many hundreds. The skills and very location of the area have made it a natural home for the engineer, but perhaps the reliance on this fact is as much responsible for its current plight as any other factor.

A growing number of companies are deciding to contract or even close down their operations in the region and what is now of utmost importance is to contain the decline—which is not being generally reflected elsewhere—and then to reverse the trend before the long-term prospects of the area are damaged beyond repair.

GREATER MANCHESTER VII

Three schools of business thought

By MICHAEL DIXON Education Correspondent

Public commentators have a habit, when speaking of management education, of referring to the Manchester Business School simply as "Manchester." To some people—especially folk from south of Watford—this no doubt seems an innocuous abbreviation.

Every time it is used, however, exasperated sighs are heard in two other educational sectors of the city. These are the Management Sciences Department of the University of Manchester Institute of Science and Technology, and the Management Department of the Manchester Polytechnic.

Both are understandably annoyed at having their separate existence overshadowed by the Business School, which may make them particularly keen to keep themselves to themselves. Certainly the school, the university department, and the management teachers in the polytechnic do not go out of their way to co-operate with one another.

Harmonious whole

So it is surprising as well as fortunate that the different teaching activities of the trio form a fairly harmonious whole. The result is that people aged from 18 to 50-odd can study management in Manchester. Taken together, the three institutions span all the broad categories of management education — undergraduate courses, postgraduate studies leading to diplomas or higher degrees, and postexperience courses for people already accustomed to managerial work.

Compared with the amount of postexperience teaching going on in Britain, postgraduate programmes, predominantly for people in their twenties, are a minority activity. Yet they raise the most contention. They are the battlefield for a clash between academic and industrial attitudes to management education.

The Manchester Business School is one of the United Kingdom's major centres of postgraduate studies. Like other business schools, it believes that full-time postgraduate programmes of a high academic level are essential to produce the deep-thinking, far-sighted top managers needed to ensure the country's economic future.

To enter these programmes at the Manchester school, students must have a good bachelor-level degree or the equivalent, and in many cases they have a couple of years of working life behind them. Usually they also need financial support by way of either grants or favourable loans, both of which are in short supply these days. This is one reason why the 200 postgraduate places in the school's new building in Booth Street West are unlikely to be fully taken up for the next year or two at least.

At present there are about 80 students on the first-class postgraduate programme leading to the school's Diploma in Business Administration. Students who do well can choose to continue for a second year and complete their higher degree—that of Master of Business Administration. There are now about 40 students in the second year. In addition the school has around 20 people reading for a doctorate degree.

Student places

Professor Grigor McClelland, director of the Manchester school, says there are still more than enough good would-be students to fill all the postgraduate places for which grant support is forthcoming. However, applications—in previous years they have outnumbered the places available by eight to one—"have fallen off somewhat this year."

Part of the cause of this decline must be the off-putting effect of the notorious shortage of student grants. Even so, I think that the application rate will have suffered also from the combination of widespread unemployment with the criticisms levelled at the products of postgraduate courses by executives in industry. Far from seeing Masters of Business Administration as the white hopes of the British economy, many working managers consider MBAs to be arrogant theorists with neither the wish nor the experience to be of much use in the practical management situation.

The Manchester school nevertheless retains its faith that lengthy postgraduate courses offer great value to any company wise enough to organise itself to make effective use of the courses' products. The same goes for the school's shorter, but still full-time, postexperience courses. These include one of 12 weeks for middle managers, and another of 17 days for senior executives. There is now also a series of 11 four-day courses in various facets of management work. This series is designed as an "à la carte menu" from which managers can assemble an educational meal suited to their particular needs.

In the postexperience field too, the school is increasing its project group activities. Here it works with an individual company, guiding and advising a group of the company's managers as they tackle an important, complex problem within their organisation.

In comparison with the Business School, the Management Department of the University of Manchester Institute of Science and Technology is relatively inactive in the postexperience field. The UMIST department's main contribution is a pattern of undergraduate programmes.

It has a full-time BSc course in management sciences with around 300 students at present. "We are not trying to turn out 21-year-olds as ready-made managers," says the Professor of Management Sciences, Ken Lomax. "We aim to give the undergraduates a basic university education: a grounding, if you like, in the workings of industrially-supported society."

As well as the full-time management sciences course, the UMIST department also shares in certain undergraduate programmes combining technology with management. "We expect to have about 360 students in all on our own full-time course by the mid-1970s," Professor Lomax says. "But our main hope for growth lies in the idea that there should be an appreciable, carefully thought out management component in every technology course run in the institute."

At higher-degree level the department has about 100 students, and plans to increase the number to 150. The UMIST postgraduates, unlike the MBA students at the Business School, spend most of their time doing research — almost always on a practical problem concerned with industry. Before they start their research, however, they are given a "management conversion course" to acquaint them with finance, marketing, production, operational research, and the behavioural sciences.

The Manchester Polytechnic's Management Department has no higher-degree course. "But we're thinking of starting one in a year or two," says Mr. Leslie Jarman, head of the department. "When we do, we shall require the postgraduate students to have had a good deal of practical experience first, and they won't just sit here in the classroom: the course will be based on going out into business organisations and learning by doing."

At undergraduate level the Poly has about 75 students working for the Council for National Academic Awards BA honours degree in business studies. This is a sandwich course lasting four years. Of the 12 academic terms involved, nine are spent in college and three in industrial training.

The Poly's main management effort is in post-experience courses. About 120 people are enrolled on its part-time and block-study programmes leading to the Diploma in Management Studies. There are some 200 students taking lengthy courses for other diplomas or certificates—such as in personnel and industrial training management, in works management and in work study. In addition, Mr. Jarman's department provides a series of shorter courses, ranging from three days to 11 weeks, in various management skills and techniques.

Regional centres

In spite of all this activity, however, the Manchester Poly has not been chosen by the Government for designation as one of the Regional Centres of Management Education which Mrs. Margaret Thatcher, Secretary for Education and Science, intends to set up in various parts of the country. While disappointed by this omission, Mr. Jarman does not seem worried by it.

He points out that in January the Poly's management departmen will move into the Business School's former building in Hilton Street, and so gain room for expansion. "No matter what Mrs. Thatcher thinks," he adds, "we're going to establish ourselves as a management centre—in the sense that our work will be second to none."

A section of Manchester University, showing (left) the Mathematics building and, right, Williamson's.

Industrial—*(Cont'd.)*

Continued from Page V

ficates has not been exactly liberal, and has indeed been a bone of contention, the fact that many of the new uses were less labour-intensive did not invalidate the point that more former mills would otherwise have stood empty and progressively deteriorated into derelict shells. Mills put to new uses in Lancashire as a whole are estimated to have provided more than 150,000 new jobs.

But by the time this transformation was well advanced there was upheaval in some of Greater Manchester's other key, long-established, and more stable industries. Partly the consequence of mergers (particularly in the case of the GEC take-over of AEI) there was rationalisation and Trafford Park, once the biggest industrial estate in Europe, felt the impact. Elsewhere, pressures brought on by a sluggish national economy and lack of growth incentives combined with inflation to bring about further cutbacks and redundancies.

Manpower shifts

Redundancies announced in the area in the year to the end of June are put at more than 16,500, involving complete closure in the case of 37 factories. This comes on top of the loss of at least 30,000 jobs during the 1960s. Engineering and electrical goods remains the biggest single manufacturing industry with 157,000 workers, although this is fewer than in the past. Vehicles, construction, transport, mining and textiles show a net loss of manpower. The most significant growth, in terms of numbers employed, has been in professional and scientific services, insurance and banking, public administration and miscellaneous activities ranging from catering to betting.

Greater Manchester is nothing if not resilient. It has the advantage of a wide spread of industrial activity. It has a long tradition of manufacturing skill and knowledge. When the national economy takes an upturn it will be among the first to benefit.

Yet unemployment statistics, taken in isolation, can be misleading. In the case of Greater Manchester they mask a more fundamental problem. This is basically the need for large-scale renewal and reinvigoration, for official recognition that time has taken its toll of one of Britain's oldest industrial areas, that substantial public as well as private investment is needed, that it has serious environmental deficiencies, and that a criterion which has leaned heavily on percentage rates of unemployment before successive governments have been prepared to recognise any special local problems ignores a much deeper problem.

These are some of the reasons why bodies like the North-West Industrial Development Association are taking the case of the region as a whole direct to Mr. Heath. The lobby is persistent and articulate and ready to stress the point that unemployment figures alone (although the total has risen sharply in line with national trends) do not go to the heart of a deeper, progressive, cumulative problem. If it finally succeeds in getting its message across Greater Manchester, with its productive versatility and long manufacturing traditions, will be set to build on the considerable achievements of the past and consolidate its future as one of Britain's key producers for world markets.

GREATER MANCHESTER VIII

Textiles face further change

By JOHN TRAFFORD

Almost every adult Mancunian can recall the days when King Cotton reigned supreme in the textile industry; a few may even remember the time when Britain's prosperity hung on Lancashire's thread. To-day neither cotton nor the Lancashire textile industry goes unchallenged in the markets of the world and the effect on the county in general and Manchester in particular has been profound.

Up to the time of the 1959 Cotton Industry Act, virtually every one of the main cotton textile processes—spinning and waste spinning, doubling, weaving and finishing—was done by individual single process mills, many of them owned and managed by the same family for a century or more. Manchester was the hub of all this activity, as it had every right to be since management and production were invariably to be found under the same mill roof.

Steam power

The whirlwind which has swept through the whole textile industry in the past 12 years has reduced many Lancashire cotton mills to little more than a fast-fading memory. Even five years ago, there were mills in the area using steam power; the best place to find a steam engine to-day is in the Manchester Museum of Science and Technology.

One of the impediments to rapid change is the existence of large numbers of small converters who have requirements only for short runs of cloth. Some 550 of the total of 730 converters convert less than 1m. square yards of cloth a year, tiny in comparison with the 1,500m. square yards annual total for the industry.

In most respects the physical contraction of the industry—in terms of employment, machinery, numbers of production units and firms—has gone more slowly than envisaged in the Textile Council's detailed report published in 1969. Despite the continuing problems of cheap imports, low home selling prices, slow progress on labour productivity and much outdated equipment, many mill owners have hung on in the Micawber-like hope of something turning up.

Rugged individualism is, however, no match for major economic forces. Many firms have been obliged to close, one of the most recent casualties being Crosses and Heatons, which plans to cease operations at its spinning mills shortly if no bid is received. Others have been swallowed up by the big groups, in particular Courtaulds which in the mid-1960s embarked on an ambitious programme of acquisition: recently, however, it has concentrated more on capital investment.

Even the larger groups have not escaped shot-gun marriages designed to prevent a major insolvency. Last year Viyella International was merged under the aegis of ICI with Carrington and Dewhurst. A little earlier English Sewing Cotton and Calico Printers joined forces as English Calico.

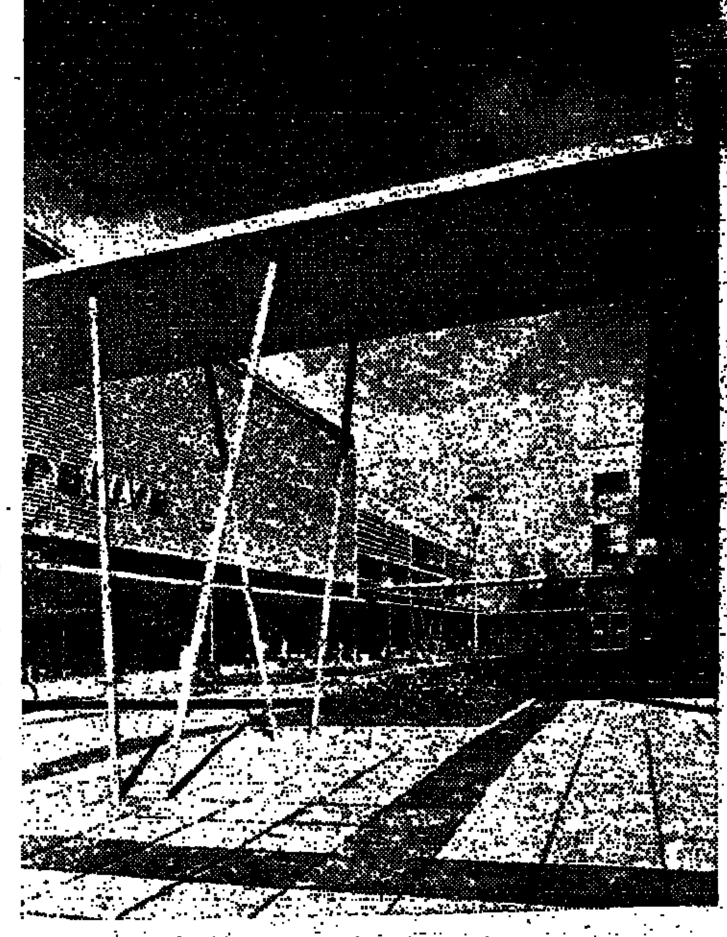
The growing realisation of the need to get close to the market place led the new Carrington Viyella group to forsake Manchester and move its headquarters to London, better located for contact with the home trade and overseas buyers. These days, it seems, all roads lead to Baker Street—the headquarters of Marks and Spencer—and the shorter the road the better.

Another headquarters seems certain to be lost to Manchester when Qualitex, the largest independent yarn texturising company in the country, becomes a subsidiary of ICI at the end of September. ICI's plans for dove-tailing the Qualitex operations with the yarn texturising interests it has acquired from Carrington Viyella are not yet known but at the very least the hand on the tiller will become ICI's Fibres Division at Harrogate.

Shift to South

Despite this shift to the south (or the east), there are a number of companies that remain faithful to Manchester. English Calico's Oxford Street headquarters are in Manchester rather than London W.1. Davoud Alliance's aggressive and highly successful Spirella group operates from the region and Vantona the household textiles and apparel group is to be found at Salford. Britain's largest tufted carpet manufacturer, Lancaster Carpets, has its works at Denton in the Manchester area and Trafford Carpets, true to its name, is part and parcel of the Trafford Park Industrial Estate. Although well outside the Manchester area, the country's largest sheet manufacturer, Highams, operates from Accrington.

Besides manufacturing effort, Manchester has built up a powerful infrastructure of official or semi-official bodies ministering to the industry's needs. The Textile Employers' Association, the Textile Council, the Cotton and Allied Textiles Industry Training Board and the British Man-Made Fibres Federation are all centred on the city.



Wythenshawe shopping centre.

From the rambling grandeur of a Victorian Renaissance chateau at Didsbury, the Shirley Institute, research arm of the Textile Council, carries out fundamental work and contract research for textile companies. After the Textile Council is wound up next March, it will have to confine its activities to whatever the industry or individual companies will finance.

Head office

The Textile Council's productivity centre in Manchester will also continue to operate. But, as with industrial control, a southerly drift can be seen in the decision of the British Textile Confederation (which will represent wool and man-made fibre as well as cotton and allied textiles) to locate its small head office in London.

One of the disturbing aspects of Greater Manchester's textile shake-out is its failure to capture much of the investment in synthetic fibre plant. True, it is well represented in yarn texturising (the process which gives bulk to synthetic filament yarns) but when it comes to investment in acrylic, polyester and nylon fibre plants, Greater Manchester is nowhere. The plants are to be found in South Wales, Yorkshire, Scotland and above all Northern Ireland. Manchester can boast in Shell's Carrington complex one of Britain's largest petrochemical complexes; but the synthetic fibre plants which bridge the gap between petrochemicals and the textile industry, and in which Lancashire could quite logically claim a share, have passed the region by. The big fibre makers, where the investment decision rests, chose elsewhere.

Challenges come two a penny in the textile industry. Next January the present quota system for holding back cheap imports is replaced by a modest tariff. If President Nixon's import surcharge is still operative, Asian textiles destined for the American market could flood into this country. That could be the moment for some of the Micawbers to bow out and leave the fight to the bigger battalions.

EEC challenge for the port

By DAVID CURRY

Manchester can claim to be the intellectual capital of British trade. For Manchester has nurtured the doctrines of economic liberalism and Free Trade that gave this country commercial pre-eminence for much of the last century. The 19th century authority of Manchester stemmed from her geography. She was near coal, near water, and at the British end of the cotton run from the southern American states. Like Birmingham, Manchester's economic prosperity bred liberal politics, while the dark satanic mills provided the need for reform.

Textiles no longer dominate Manchester's trade. The 4.5m. people who live within a 25-mile radius of Manchester are a microcosm of the population of the country as a whole. The city draws on a far wider catchment area than this. Goods from the North-East, the West Riding, and the North-East, as well as the Midlands are exported through Manchester.

The North-East has no major port of its own. Newcastle and Sunderland are hemmed in by narrow rivers. For goods wanting to go West it is cheaper to send them down the A1 and over the Pennines or across to Carlisle and down the M6 than out through North-East ports.

The canal links between Manchester and the Midlands have given way to road links. The West Riding is linked by the M62 trans-Pennine motorway, making Manchester the focus for goods produced in the relatively prosperous conurbation of Leeds, Bradford and Wakefield. To the North the M6 links Manchester with the Scottish Lowlands. In addition, the development of sophisticated container services out of Manchester has enabled it to capitalise on its position as a focus of rail routes as it is of road routes.

Import volume

In terms of bulk the Port of Manchester handles imports rather than exports. Last year some 11.5m. tons of goods entered the country through Manchester, while export shipments were 4.3m. tons.

In the first six months of this year imports were running at 5.6m. tons and exports at 2.6m.

In 1970 Manchester airport handled 1.78m. passengers (just under half of these were international passengers) and 42,000 tons of air freight (of which 27,000 was international). These figures are three times as great as those for 1960.

As a port Manchester has suffered from the familiar ills of inflation. The first seven months of 1970, for example, saw restrictions on movement of vessels within the port because of internal tug working difficulties, a six week period of total stoppage by Liverpool tugmen who help the larger vessels when they enter and leave the Ship Canal, followed by a national dock strike.

This depressed the volume of traffic passing through the port by some 500,000 tons compared with the previous year, with petroleum being down by 700,000 tons.

In the middle of last year the port had to up charges by between 10 and 15 per cent., and further increases were imposed at the beginning of this year.

The Ship Canal also suffers from a further infliction: politicians. Manchester City Council nominates 11 men to civic directorships. In 1969 the ruling Conservatives removed all six Labour sitting directors on the grounds that their membership was incompatible with membership of a party seeking to nationalise the docks. When Labour won control of Manchester this year they promptly took all 11 directorships, three Conservatives being voted off and the other eight forfeiting their eligibility as councillors or aldermen.

The Port has also had to accommodate itself to changes in the pattern of traffic. It now deals with a wide variety of petroleum and chemicals in the bulk liquid field. It is redeveloping Partington, traditionally a coke and coal dock.

In addition, the volume of traffic brought to and from the port in containers is growing, particularly those carried in specially constructed cellular ships. The Port has invested in straddle cranes, dock modernisation, and has built up its road transport fleet to win a large share in the carriage of containers.

The Ship Canal is something of Manchester's umbilical cord. Stretching some 50 miles to the sea it has attracted a host of industries to its banks, in particular oil and spirit refineries, flour and paper mills and chemical works.

Outside circle

The Common Market will face Manchester with new challenges. The city will be outside the Golden Circle of the Benelux countries, Rhine basin and South-East England. It is a grey area, and the City Fathers are understandably worried that it will become depressed.

The Chamber of Commerce and Industry is alive to the necessity to improve its facilities to exporters. It does all the usual things. It provides information on tariffs, directories, contacts, customs and market reports, trade and merchandise marks, and sponsors trade missions. But compared with some of the Chambers in, for example, Germany and the Netherlands, the Manchester chamber fires pretty small guns. These chambers are quasi-statutory bodies with a compulsory membership.

Manchester, like all British chambers, relies on voluntary co-operation, but it is having some trouble in getting it. When company finances are under pressure, forcing closures and amalgamations, the Chamber's membership has declined at a time when its expenses have been pushed up.

The future of Manchester as an exporting area will depend finally on the future of Manchester as a manufacturing region. This will depend to an important extent on the vigour of regional policies inside the EEC. But Manchester has the infrastructure to ensure progress. Within the limitations of size imposed by the Canal its facilities are modern. The road network connecting it to the rest of the country is nearing completion, and it is the pivot of the west coast electrified rail service. And among its intangibles it has a tradition of concern for commerce and liberal trading policies. That is a field in which the future may well have need of the past.

Postal charges: how the planners came unstuck

BY COLIN JONES

THE CRUCIAL question about postal charges is not so much whether, but when the minimum rate for first- and second-class letters should be raised by ½p to 3½p and 3p. As far back as the 6½-week postal workers' strike earlier this year, Mr. Bill Ryland, the Post Office chairman, was saying that a 10 tariff increase by about April 1972 would be the inevitable consequence even of the Corporation's offer of an 8 per cent. pay increase.

In the event the Hardman Inquiry awarded the postmen an extra 9 per cent. back-dated to January, and on any conventional view of the present state of the finances of the postal service the extra £50m. or so a year that would come from such a tariff increase might seem to be needed as soon as possible. But it is not only the CBI's call for a year of price restraint until mid-1972 that calls into question what one might describe as the conventional case for higher charges early next year.

A shock

It comes, naturally, as something of a shock to hear the Post Office talking so readily of the need for yet another rise in postal charges within months of the biggest tariff increase in postal history. True, postal traffic has been growing very slowly and the service is highly labour-intensive, with wage costs accounting for nearly three-quarters of total revenue expenditure as against, for instance, a mere two-fifths in the telephone and telex services.

But the new 3p and 2½p letter tariff which came into effect on "D-day" last February, in the middle of the strike, was designed to yield just over an extra £100m. net a year.

Since turnover was then running at less than £400m. a year, this was equivalent to an increase of over a quarter. An increase of this size was expected to put the service well into the black for at least the next two years and to bring it within £35m.-£40m. of the financial target set by the Government for the whole of the 1968-1969 to 1972-73 quinquennium.

The trouble is that the assumptions upon which the Post Office based these forward estimates have come unstuck. This is not the first time in recent years that the postal planners' forecasts have gone awry. On this occasion, when planning began in 1970 on the February 1971 tariff change, the planners assumed that the acceleration in wage inflation then getting under way would be a purely temporary phenomenon and that the level of activity in the economy as a whole, which is the main influence upon the volume of postal traffic, would grow in real terms by about 4 per cent. during 1970-71.

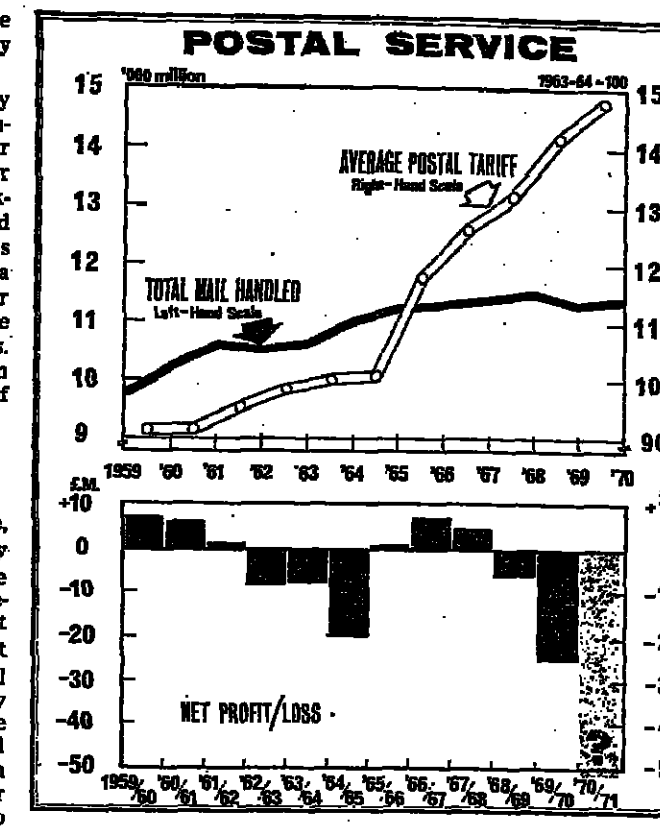
In the event, the economy grew by only about 2½ per cent., postmen received an extra 9 per cent. as against the 5 per cent. increase which the postal budgets had assumed, and the prices of bought-in supplies rose faster than had been expected.

At the same time, it was reckoned that the February 1971 tariff increase would probably lead to a fall in traffic of about 6 per cent. It is probably too soon to judge how well this prediction is turning out. The service has had to contend not only with the effects of a very stiff price increase but also with users' reactions to the strike at a time of particularly sluggish business activity.

Even before the strike, many large users had been questioning their use of the service, or devising their own system for distributing messages and packages — private operators had been growing fast in the parcels business—and the lack of a national postal service for several weeks was bound to give these trends a sharp impetus. All the indications since then certainly point to a slow rate of recovery in postal traffic.

Big losses

This would appear to argue, of course, for delaying any further tariff increase until the traffic flow had recovered something of its old buoyancy. But the Post Office would say that it is constrained by the financial target which it has been set by the Government. For the five years to March 1973, the postal service has been charged with producing a net surplus, after interest charges, equivalent to 2 per cent. of each year's revenue expenditure—probably about £45m. in all, which with depreciation provisions would be sufficient to finance roughly about half of the postal service's expected capital expenditure.



In the first two years of the quinquennium, the postal service incurred a £17m. loss, and thus fell some £32m. short of the cumulative target. In the third year, 1970-71, the service had hoped to limit its loss to about £19m. and the cumulative shortfall on target to about £60m. But when the final figure is published in the Post Office accounts due next month, the 1970-71 net loss is likely to be more than twice as large.

Between them, the effects of the strike, the pay increase, the prices upsurge, the economic recession and the modifications the Users' Council proposed (and the Government required) in the February 1971 tariff changes may well have pushed the net loss £40m. or more above budget—and thus the cumulative shortfall on the quinquennial target to more than £100m. after the first three years.

The service has not the faintest hope of recouping this shortfall in the remaining two years of the quinquennium. At present tariff levels, the best that might be achieved is a surplus over target of less than £10m. for the two years together. As the policy of successive Governments has been that past losses should be recouped from users, and not from taxpayers generally, the Post Office would argue that a further tariff increase early in 1972 is inescapable.

A ½p increase would not make up the whole of the five-year short-fall, but it would go part of the way. And by allowing the postal service to pay back some of the money it has borrowed from the Exchequer to finance deficits, it would also yield some useful savings in interest charges.

The danger in this kind of approach is of course obvious, as the Post Office itself would readily acknowledge. It opens up the strategic prospect of a vicious circle of higher charges at shorter and shorter intervals with an ever-quickening decline in postal traffic. Because of sluggish traffic growth, overall productivity has already been falling for the past six years and the Post Office reckoned that it could see only limited possibilities for further improvement.

Further savings could be made by reducing the standard of service, but the creation of the distinction between a first-class and second-class service had heavily pre-empted this field and the remaining possibilities—even if politically acceptable—had been thought to offer only modest cuts in expenditure. Meanwhile, the Post Office had been placing its main hopes upon the full mechanisation of sorting (with post codes) but because this would mean the wholesale resiting and construction of sorting offices the programme was expected to take some 10-15 years to complete, and, even then, the savings were not expected to be large in relation to total turnover.

New thinking

All the signs suggest, however, that the various events of the past year or so have helped to encourage some new thinking about the postal service. For a start, some pretty basic questions have been asked. For example, what kind of service will this country need, say, in ten years' time when probably at least two homes in three, as well as every business house, has a telephone? Recent marketing studies have suggested that there is a reduction of about 25 letters a year for every new private telephone subscriber.

Will a first-class postal service, receiving mail up to 8 p.m. or 9 p.m. at night and delivering it by 7 a.m. or 8 a.m. the following morning, still be widely needed? If not, what difference could this make to postal operations and costs—and the sorting office mechanisation programme? Of lesser magnitude are such questions as the savings to be made, as against the possible disbenefits to users, from ceasing to make a second daily postal delivery except in the main commercial centres, and from dropping all Saturday deliveries. When these two possibilities were last examined, a year or two ago, it was reckoned that they might yield net savings of some £20m.-£30m. a year (at the then current level of costs).

Likewise, in what ways might the parcels service, on which the Post Office lost £6.8m. on a turnover of £46m. in 1969-70, be slimmed down? Here is a field where three large State-owned networks (British Rail and the National Freight Corporation, as well as the Post Office, have all been losing money and where private sector competition has been growing fast.

At the same time, there appears to have been a growing realisation of the need to put much greater drive behind the effort to improve productivity, both of men and equipment. The Hardman Inquiry last April criticised both management and the trade unions for their "fairly low epxectations of the pace of innovation and change in the postal business," and of what could be done in the short run to increase productivity. Its not altogether novel conclusion was that both sides appeared to have "opted for a cosy life and had been anxious to avoid pursuing measures which would disturb traditional work patterns and relationships."

Urgency

How much benefit could result from a more concerted and less piecemeal approach to improved operating methods and from a greater willingness to envisage, say, the employment of more part-time or female staff remains to be seen. But the rapid deterioration in the financial prospects of the postal service seem to have imparted a greater sense of urgency to the quest.

Whether the savings from internal economies and from cuts in services could be enough to stave off a further tariff increase, and its deterrent effect upon traffic, for a further year or two we will probably know next month when the Post Office is due to lay the fruits of its rethinking before the Government, the Users' Council and the trade unions.

However, even if a postal tariff increase can be staved off, the same might not necessarily be true of telephone charges. Productivity is already rising fast in this service and it is far more capital-intensive: the latest indications suggest that the telephone service may also fall short of its financial target by about £100m. in the two years between April, 1971, and March, 1973.

Labour News

Fewer new strikes in August

BY ROY ROGERS, LABOUR STAFF

THE CONTINUING trend towards fewer, but longer, strikes is confirmed in Government statistics published to-day which show that August saw the lowest number of new strikes for any month this year.

To-day's Department of Employment Gazette shows that in the first eight months of 1971 there were 1,542 stoppages involving 828,000 workers and causing the loss of 11.6m. working days. These figures compare with 2,877 stoppages a year earlier, which involved almost 1.2m. workers and lost more than 6.6m. working days.

This year's figures are very heavily influenced by the prolonged Ford and Post Office strikes earlier this year, which together accounted for 8.25m. lost days and have been responsible for making this year's running total the highest since the general strike of 1926.

Prominent in the August stoppages were those by 2,800 ancillary workers at Swan Hunter shipyards on Tyneside, which caused 8,000 other workers to be laid off, and 400 maintenance engineers at nine Lucas car component plants, which caused the progressive layoff of more than 14,000.

In all, some 424,000 work days were lost in August, including 135,000 from stoppages which continued from July, when the total of days lost was 273,000.

About 1,190,000 workers had their basic pay rates increased in August by a total of £2,095,000. This brings the total number of employees who have had increases in basic rates in the first eight months of this year to 6,630,000, the estimated net amount of the overall increase being £11,230,000. In 1970, the figures for the first eight months were 7,440,000 workers and £11,765,000.

In addition, in August 53,000 workers achieved a reduction in normal weekly hours of work, to bring a total of 416,000 workers who have had their hours cut by a total of 401,000 in the first eight months of this year.

Also included in the gazette are statistics showing that the level of married women in employment last year rose by about 3 per cent. on a year earlier, continuing an increasing trend since 1964.

300 marine wireless men ban overtime

By Michael Hand

ABOUT 300 members of the Radio and Electronic Officers' Union who install, commission and maintain marine wireless and electronic equipment for Marconi Marine and Redifon are banning overtime from midnight to-night over a pay dispute.

They work in service departments at principal ports in the U.K. and Eire and the ban could affect the attendance of technicians on ships' trials and could hamper servicing work on off-shore oil rigs.

The union has lodged a 12 per cent. pay claim on their behalf, based mainly on the rise in the cost of living. They have so far been offered increases of between 5 and 6 per cent. and the talks with hte employers have reached deadlock.

The pay of the technician engineers involved at present ranges between £1,276 and £1,886 a year according to grade. Their last pay increase was a year ago.

Civil Service scientific restructuring begins

BY ROY ROGERS, LABOUR STAFF

THE SCIENTIFIC Civil Service grades are to merge immediately as the second stage of the restructure of the Civil Service along the lines suggested by the Fulton report.

Scientific assistant and experimental officer classes and scientific officer class up to principal scientific officer level are to be a five-grade structure in place of the present nine-grade.

Efficiency

The aim is to make more flexible and efficient use of staff and to open up the higher levels of the service to those with outstanding ability. Last January saw the first step in the restructure with amalgamation of the administrative, executive and clerical classes into a 210,000-strong administration group.

Salary scales for the 17,000 members of the scientific group have been agreed on the basis of the 8-12.2 per cent. arbitration award last month.

At the time of the arbitration award, Mr. William McCall, general secretary of the Institution of Professional Civil Servants, described it as "incomprehensible and perverse." They had been seeking increases of between 12 and 15 per cent. and an undertaking that scientists' pay would no longer be subject to Pay Research Unit findings.

The award was on the basis of the old structure and further negotiations have been held to up-date it to the new arrangements. Backdated to January 1, and including the arbitration award, the new rates are: principal scientific officer £3,100-£4,100; senior scientific officer, £2,303-£3,255; higher scientific officer, £1,810-£2,350; scientific officer £1,120-£1,900 and assistant scientific officer, £550-£1,395.

Last night Mr. McCall commented that it was no more than a modest first step on the way to improving the "sadly depressed" position of scientists.

More labour news on Page 33

Rising level of private house building checked during August

BY MICHAEL CASSELL

THERE WAS a reversal in the rising level of private house construction in August according to Government figures.

The downturn, at a time when activity in this sector is at one of its highest points in recent years, is being attributed to August holidays. The same effects can be expected this month and the industry is unlikely to be concerned unless the trend becomes more prolonged.

Department of the Environment statistics show that 16,800 private homes were started during August compared with 19,800 in July. The figure was still one of the highest this year and compared favourably with August 1970 when 13,800 private houses were started.

In the council housing sector, the number of starts fell to 11,100 against 12,300 in July, one of the best months this year. At the same time last year starts had reached 11,800. Total starts in both sectors during the month, at 27,900, were 2,300 below July but 2,300 higher than in August 1970.

The level of private house completions dropped during August to 15,200 from the 17,500 in July. This compares with 13,900 in the same period of 1970 and, although well below July's peak, it remains one of the most encouraging monthly performances this year.

Public sector

In the public sector, the number of homes finished by builders and made ready for occupation was only 10,800, the lowest for several years. In August, 1970, completions totalled 13,700 and this July they stood at 13,800.

Both private and public sector completions, at 26,000, were 4,300 below July's total and 1,700 under the level at the same time last year.

The Department said last night that in the three months from June to August, all starts reached 90,200, just 200 more than in the same three months of 1970. Completions amounted to 86,400, a fall of 3,900. After allowing for normal seasonal variations, starts were 2.5 per cent. up on the preceding three months while completions fell by 2.5 per cent.

Some 15,900 improvement grants were approved in England and Wales during August, 200 above the previous month which itself was 200 up on June. In the three months from June to August there were 5,00, or 12 per cent., more grants issued than in the same period a year ago.

More BEA jets on U.K. flights

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

BRITISH European Arways is increasing its jet services on U.K. domestic routes from November 1, in a bid to win traffic from British Rail and to make those services profitable. From the same date, as already announced, domestic air fares go up by 5 per cent.

The airline will put its new Trident Three jet airliner onto the London-Glasgow run, with nine return flights daily, Monday to Friday, compared with six daily return flights last winter. Vanguard turbo-prop airliners will only be used on the Glasgow run for mid-day flights.

Vanguards will continue to be used on the London-Edinburgh and London-Belfast routes, until runway work has been completed, but jets will be used on the shorter Belfast-Birmingham and Manchester routes.

BEA will also introduce Tridents and Super One-Elevens onto the London-Dublin route, and Tridents onto the route to Shannon.

Northeast Airlines, a member of the British Air Services Group (a subsidiary of BEA), is increasing its jet flights between London and Newcastle, while Cambrian Airways, also in the BAS group, is to put One-Elevens onto the London-Cork route.

Slater Walker may take stake in German bank

BY MALCOLM RUTHERFORD

BONN, Sept. 29.

SLATER WALKER, the British banking and finance group, is understood to be on the verge of breaking into banking in Germany by taking a major stake in the ADCA Bank of Frankfurt. The negotiations are now reported to be in an advanced stage.

ADCA—short for Allgemeine Deutsche Creditanstalt—is an all-purpose bank with branches in Frankfurt, Munich and Berlin, though with a tendency to specialise in industrial credit. Its balance sheet total is now around DM550m., sharply up from DM286m. at the end of last year. Volume of business is about DM500m.

Share capital is DM14.25m., and one of the largest shareholders is understood to be the Quandt Group which, among other very large holdings, has a stake of about 40 per cent. in the German car company, BMW, and of about 14 per cent. in Daimler-Benz. Sources close to the bank, however, said to-day that the management Board probably did not know the precise division of shareholdings.

This is the second time in recent months that Slater Walker has been involved in negotiations on the British take-over of a German concern. It was offered Wankel GmbH, the company with a 40 per cent. stake in the rights to the Wankel rotary engine, though the company finally went to Lonrho.

. In London yesterday Mr. Jim Slater refused to comment on the reports from Germany of his interest in ADCA.

£2.5M. TRAWLERS ORDER FOR SWAN HUNTER

Swan Hunter's small ship division has won a £2.5m. order to build three trawlers at its Clelands yard on the Tyne for J. Marr and Son, of Hull and Fleetwood. One will be a 600-ton stern trawler, and the other two stern freezer trawlers, each of about 1,150 tons. Deliveries are due next year and in 1973.

Saleroom

£1,400 for a dollar

SOTHEBY'S opened their season yesterday with a sale of coins totalling £21,266. Spink gave £1,400 for one of seven known specimens of a U.S. dollar, 1799, countermarked on the obverse with the head of George III.

A silver decadrachm from Syracuse, Sicily, 412-406 BC went to Thi for £1,100, an ancient Egyptian gold octadrachm of Arsinoe II to Paulus and a Victorian bronze penny, 1882, with no Heaton mintmark to Rider, each for £360. Frost obtained an Elizabeth I crown, 1601, for £300 and Spink a Louis XVI 6-livres counterstamped with the head of George III for £280.

At a furniture sale at King and Chasemore's, Pulborough, which totalled £14,784, Keyser paid £1,300 for a Queen Anne walnut bureau bookcase, Deakin £800 for a Louis XV style Kingwood bureau and Baxter £680 for a Regency mahogany open bookcase.

COMPANY NEWS + COMMENT

BBA Group profit to exceed £3.2m.

FIRST HALF profits from the BBA Group are up from £1.35m. to £1.73m. The second six months' figures are likely to be lower, but should pass the £1.5m. attained in the corresponding period of 1970.

The *first half improvement* reflects a considerable upturn in margins, and has been achieved principally in the U.K. and in the friction materials' sector.

On the outlook the directors stress that wage increases cannot be offset by corresponding price rises. Also the effect of stock reductions of friction materials, which helped profits in *the earlier part of the year, will* be less pronounced in the second half.

An unchanged interim dividend of 6 per cent. is declared; the 1970 total was 15 per cent.

	First Half 1971 £000	1970 £000	Year 1970 £000
Group sales	*19,695	17,579	36,371
U.K.	10,436	9,167	19,269
Overseas	9,259	8,412	17,102
Operating profit	†1,702	1,332	2,827
Associates	33	22	43
Profit before tax	1,735	1,354	2,870
U.K.	769	534	1,226
Overseas	966	820	1,644
Taxation	642	513	1,182
U.K.	308	238	502
Overseas	334	275	680
Minorities	121	112	230
Attributable	972	729	1,458

* Exports from U.K. £2.13m. (£2.25m. and £4.4m.). † After depreciation £698,000 (£695,000 and £1.37m.), bank and loan interest £231,000 (£226,000) and £359,000), and debenture interest £100,000 (same and £200,000).

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Bury & Masco	28	5	Phoenix Assurance	30	1
Doulton	28	4	Plessey	30	4
Emu Wool	28	4	Rockware Group	30	2
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Hiltons Footwear	28	6	Tissus Michels	28	3
I.F.I.	28	7	Universal Grinding	29	6
Instant Starter	28	5	Varney	30	5
Leslie & Godwin	28	4	Westward TV	29	5

● **comment**

BBA has managed to push up operating margins by over a point in the first six months to 8.65 per cent., thanks to greater volume in the U.K. on maintained overheads and price increases coupled with a reduced work force in Germany. Price rises on the U.K. replacement side of between 7 and 8 per cent. were also introduced towards the end of the first half, though recent wage awards will probably cancel out the benefit in the second six months. The friction materials division—already the major source of earnings—has further increased its proportion of group profits, and is expected to remain the major growth area for BBA. Since the U.K. motor trade normally accounts for between ⅓ and ½ of total profits, the recently reported upturn in car production—up 24 per cent. in August, for example—enhances second-half prospects, and the full year could see a pre-tax figure of £3.35m. This suggests earnings of 8.45p a share and a prospective p/e of around 14¾ at 124p, which appears to leave room for improvement.

Statement Page 12

Brixton Estate

AN increase in pre-tax profit from £462,000 to £516,000 is reported by Brixton Estate for the half-year ended June 30, 1971, and the second interim dividend is effectively raised from 3.125 per cent. to 3.75 per cent.

A total of not less than 12½ [illegible]

per cent. on capital increased by a one-for-five scrip has already been forecast for 1971.

For all the previous year there was a group profit, before tax of £889,297, and the dividend was an equivalent 9.89 per cent.

Net rents and other income for the half-year were £1,043,000 (£882,000).

The profit is struck after interest on developed properties £426,000 (£334,000) and other expenses £101,000 (£86,000).

Outgoings on current developments £174,000 (£143,000) will be charged to capital reserve.

Expanded Metal interim 6%

FOLLOWING the earlier report of group results well ahead of the comparable period of 1970, the chairman of The Expanded Metal Co., Mr. P. Hamilton, now states that this trend is continuing and results for the current year "should prove equally satisfactory."

For the six months to June 30, 1971, group profit, before tax, has improved from £436,000 to £542,000—a rise of 24 per cent. The previous year's total profit was £1,013,000.

An interim dividend raised from 5 per cent. to 6 per cent. is declared—last year's total was 16 per cent.

● **comment**

A firm indication of Expanded Metals first half figures was given in May so it comes as no surprise that the shares, up 75 per cent. since April anyway, failed to react to a 24 per cent. advance in pre-tax profits. The improvement came across the board with the industrialised building components side again showing a marked increase. This trend is apparently continuing into the second half which indicates earnings for 1971 in the region of 8.75p per share, against 7.57p—putting the shares at 113p on a prospective p/e of just under 13. In view of the present buoyancy and future prospects (contracts have just been renewed on the industrialised building side which will last for another 3 or 4 years) the shares at this level could still have something in hand despite the recent firmness.

Statement Page 37

Tissus Michels progress

ATTRIBUTABLE profits of Tissus *Michels Holdings* group come to £23,481 for the year to March 31, 1971. *This comprises Scott Lester* £21,492 and JD Fabrics £25,664, less parent group loss £23,675.

In March, when requotation was granted, the directors forecast £150,000 had Scott Lester and JD Fabrics been included for a year. In the event the group profit came to £182,057, of which £158,576 is pre-acquisition.

After tax of £9,860 and loss on sale of interest in Olympia Mills Bradford (formerly Whitaker and Knapton) £26,363, there remains an attributable deficit of £12,742.

As *indicated in March no dividend can be paid, but the Board* reiterates its intention of paying a dividend next September in respect of 1971-72.

The current year has started "very satisfactorily" and both group turnover and profits are ahead of last year.

It is proposed to change the company's name to Monument Securities.

● **comment**

Including contributions—for 12 months and 10 months respectively—from two newly acquired subsidiaries, pre-tax profits of the re-vamped Tissus Michels' are 20 per cent. ahead of the re-quotation forecast given last March. For 1971-72, profits look likely to exceed £200,000 pre-tax—thanks to a strong and growing fashion demand for Scott Lester's "tie-dye" *shirts, bullet belts and army* badges from chain stores and boutiques. In addition, 1971-72 turnover is more than 50 per cent. up on last year so far and with the parent company on the threshold of breaking even and J. D. Fabrics moving well ahead, earnings of about 3.7p a share seem a fair prospect. On a prospective p/e of 6.2 at 22½p last night—against the *re-quotation* price of 14½p—the shares are taking a cautious view.

Doulton hard put to equal £1m.

AGAINST the earlier indication of *improved profits* in the current year Mr. J. G. Beevor, chairman of Doulton and Co., the china, crystal, ceramics and sanitaryware manufacturing group, now tells members that it will be "a hard *task to equal" the £1,045,611 of* 1970.

In the first six months profits, before tax, were marginally lower at £452,000, compared with £456,000, from sales of £9.77m. against £8.76m.

The chairman said in his annual statement that the first six months would be "just as difficult as in 1970" unless the U.K. and U.S. tableware market improved more rapidly than seemed likely. He now reports that the hoped for improvement in the tableware market in North America has not yet materialised and with the recent fiscal measures taken by the U.S. Government, "it will be a hard task to equal last year's profit."

An unchanged interim dividend of 4 per cent. is declared—total for 1970 was 12½ per cent.

	Six months 1971 £000	1970 £000	Year 1970 £000
Turnover	9,767	8,759	18,798
Trading profit	696	627	1,424
Net interest payable	244	171	378
Profit	452	456	1,046
Taxation	210	236	405
Net profit	242	220	641
Minority	17	16	55
Net balance	225	204	586

All companies in the industrial divisions, both in U.K. and Aus*tralia, returned improved results* and margins. On the other hand, the tableware division recorded considerably lower profits.

International trading conditions for the tableware side were most difficult. Both the Doulton and Minton factories were on short time working for most of the period, and there is still some short time working, says the chairman.

The sale of Doulton House for £2.5m. was completed on September 1.

● **comment**

Doulton's marginally lower first half pre-tax profits are in line with the slowdown evident in other results from the pottery sector in the last few months. Demand for tableware has been very depressed for around 18 months, particularly in North America and consequently the group has not been able to take advantage of its recent expansion *in this field. The sanitary division*, however, has started to benefit from the current pick-up in housebuilding and it was mainly the contribution from this sector which helped to hold profits steady. Even so, in order for Doulton to show any improvement in the second half, a substantial pick-up in Canada and the U.S. is probably necessary, and so far there has been no sign of one. Thus at 64p the historic p/e of 16.2 may be rather optimistic.

Emu Wool beats forecast

Pre-tax profit of Emu Wool Industries jumped from £22,000 to £400,000 in the year to June 30, 1971, and a final dividend of 7½ per cent. restores the total from 5 per cent. to 10 per cent.

At the half-way stage when profit was up from £6,000 to £120,000, directors forecast a final outturn in excess of £250,000.

	1970-71 £000	1969-70 £000
Pre-tax profit*	400	22
Tax	158	†40
Net profit	242	62
Attributable	220	53
Pref. dividends	12	12
Ord. dividends	55	29

* Non-recurring loss on disposals £25,000, less estimated tax relief £15,000, not charged. † Credit.

Chairman Mr. G. H. Dawson and Mrs. Dawson have waived dividends in respect of 497,873 shares of 25p.

● **comment**

Emu has recovered well in 1970-71, beating its interim forecast of £250,000 by 60 per cent. before tax. The recovery has been on the knitting side which in 1969-70 was hit by a sharp decline in demand. The group has *since* adjusted for this low level of demand by cutting down staff here and has thus brought the sector back to a break-even. However, the main impetus to profits came from the *clothing division which felt the* benefit of full contributions from two new factories for the first time. Given that the clothing side is still moving ahead in the current year the upwards trend seems likely to continue, so, at 34p the p/e of 6.8 may be underrating the prospects.

Leslie and Godwin

Taking all factors into account, Mr. N. W. Grant, the chairman of insurance brokers, Lloyd's underwriting agents, etc., Leslie and Godwin (Holdings), expects 1971 results to be "broadly comparable" *to those of last year.*

In the first half, due to a number of separate causes, revenue of the subsidiary Leslie and Godwin suffered "some reduction," he reports.

And with the continuing downward trend of interest rates to which the chairman referred last May the group will not enjoy the increase in investment income earned in recent years.

DIVIDENDS ANNOUNCED

	Current payment %	Date of payment	Corresponding div. %	Total for year %	Total last year %
Bury and Masco int.	†1½p	Oct. 27	1½p	—	4½p
BBA Group int.	6	Jan. 6	6	—	15
Brixton Estate 2nd int.	3.75	Dec. 15	*3.125	—	*9.89
Doulton int.	4	Oct. 29	4	—	12½
Dowgate & General	5	—	3½	7½	6
Dundee Ice Rink	Nil	—	5¼	Nil	5¼
Emu Wool	7½	Dec. 9	5	10	5
Expanded Metal int.	6	Oct. 29	5	—	16
Hiltons Footwear int.	(c)12½	Nov. 18	—	—	—
Industrial Finance & Inv.	12	Nov. 11	10	20	*18
Lamson Industries int.	5	Nov. 8	5	—	13½
Liverpool Grain Storage int.	3	Nov. 2	2	—	8
Meat Trade Suppliers	16	Nov. 27	30	25	45
Phoenix Assurance int.	†4p	Dec. 15	3.75p	—	8.5p
Rockware int.	5	Nov. 26	4½	—	11
Stanley Miller int.	nil	—	10	—	20
Thomson T-Line int.	15	Oct. 29	15	—	30
Universal Grinding in	8	Nov. 22	8	—	21

* Equivalent after allowing for scrip issue. † Amount per share.

(a) Tax free. (b) On capital increased by rights and/or acquisition issues. (c) As forecast in April prospectus—total of 35 per cent. already forecast.

Bury Masco repayment: to hold 4½p

ANNOUNCING a proposed capital repayment of 7½p per 25p share, the directors of Bury and Masco *(Holdings) state that, subject to* current year profit reaching about the 1970 level, it would not be their intention to reduce the 4½p dividend total paid for that year. An unchanged interim of 1½p is now declared.

From a turnover of £2,692,368 against £2,629,026, first-half profits are slightly ahead at £236,315 compared with £222,230. For all 1970 the figures were £5,273,017 and £505,549 respectively.

The increase is largely attributed to improved trading by the engineering subsidiary. The group is still experiencing difficulties in *getting all divisions operating in* top gear together and a "good recovery" in the pile fabric division has been nullified by slightly reduced contributions from some other divisions.

On future prospects, the directors report that July and August proved to be "very difficult" months with production again curtailed by disputes in the motor industry and profits compare unfavourably with the same two months in 1970. However, the position has improved in September and if the recent stimulation of the economy does generate a *revival in the* capital goods industries it is hoped this leeway in the second period will be made good.

While, therefore, the directors do not foresee any improvement *in the current year, the result* of recent and forthcoming reorganisation will be reflected in the future by increasing profitability.

As regards the capital repayment proposal the directors explain that as a result of detailed consideration of the group's financial requirements up to the end of 1973 and beyond they decided *that a part of its reserves is not* likely to be required in the foreseeable future for the purposes of the group's business.

● **comment**

Bury and Masco has had an eratic record over the last few years and the interim statement also presents an uninspiring picture—in the short-term at *least.* Pre-tax *profits* are *only* 6 per cent. up and the full-year total is expected to be roughly unchanged at around the £½m. mark, compared with a peak of £681,000 in 1965. The divisions *supplying the motor and carpet* industries seem to have only held their own so far though they should do better with the pick-up in car sales and the expected improvement at the medium price end of the tufted market. The engineering side has already made some progress and other divisions stand to benefit from any recovery in the capital goods sectors. Moreover the reorganisation programme should also be making an impact and this should help prop up a p/e of around 12 at 58p.

Board changes at Instant Starter

A rebel group of shareholders in Instant Starter Engineering yesterday seized Boardroom con*trol of the small, public but un*quoted, concern when they succeeded in electing three additional directors.

By this action, the company has virtually returned to the fold of Mr. Arthur J. Whitehead, the financier, who with associates has a substantial holding in the company. Mr. Whitehead set up Instant Starter in 1957 and later arranged a placing of shares through his Whitehead Industrial Trust. He resigned as chairman in 1958.

Election of the three new directors came at the end of an *at times heated extra-ordinary* meeting in London where holders refused to accept the report and accounts for the year to June, 1971, and at which the new chairman, Mr. J. Smurthwaite, resigned. Mr. Smurthwaite succeeded Mr. George Newington-Bridges as chairman in July after the latter had been voted off the Board at the adjourned 1969-70 annual *meeting. At that meeting a poll* vote was called on the re-election of Mr. G. Newington-Bridges by Mr. L. Aronson who, with Mr. G. Kohn and Mr. F. Devetta, held proxies between them for Mr. Whitehead and companies in which he is interested.

A number of shareholders, including Mr. Aronson, maintained that the company's asset value *was considerably less than book* value. While this was admitted to be partially true in respect of the starter-motor licence, which ends in around 18 months' time, Mr. Smurthwaite maintained that much of the overall problems related to it having been overcapitalised at the outset.

As against these adverse factors, however, the chairman looks for some recovery during the second half and reports that, for the most part, the other trading subsidiaries have made satisfactory progress. In particular, those engaged in underwriting, *although relatively small, have* shown a marked improvement and benefit is also expected from the reconstructed Australian companies.

Final details are now being worked out of a Share Incentive Scheme for senior executives.

Mr. Smurthwaite earlier had told shareholders that the Exel Electronics subsidiary was now doing extremely well and attempts were being made to acquire production capacity for the com*pany's Mini-Mota, a new light* portable motor developed initially by Mr. G. Newington-Bridges before he joined Instant Starter in 1968.

The directors elected to the *Board were Mr. Harold Evans, a* chartered accountant, Mr. A. B. S. Thompson, a solicitor, and Mr. James Edwards, chairman of Price and Edwards, an engineering concern and director of com*panies within the Peck Engineer*ing Group.

The two other Board members are Mr. G. Newington-Bridges' sons, Mr. S. and Mr. A. Newington-Bridges.

Hiltons Footwear on target

A FIRST-half profit increase from £86,369 to £127,041 is reported by Hiltons Footwear, and chairman Mr. J. G. Hilton reiterates that the pre-tax figure for the full year *to January 31, 1972, is expected* to reach at least £428,000—the comparable figure for last year.

As forecast, an interim dividend of 12½ per cent. is declared.

At the time of the prospectus *in April, a total dividend of 35* per cent. was indicated for the year.

	Half-year 1971 £	1970 £
Trading profit	126,895	84,025
Interest received	4,433	6,593
Depreciation	4,287	4,250
Profit	127,041	86,369
Tax	62,000	44,500
Net profit	65,041	41,869

The business is seasonal and the *larger part of profits is always* achieved in the second half.

Turnover since the beginning of August has been at a similar level to that of last year, the chairman says.

● **comment**

Hiltons Footwear has remained around the 95p offer level ever since its flotation in April but *this caution now seems overdone* with first-half pre-tax profits 47 per cent. ahead. But in fact this period has in the past only accounted for about a quarter of full year profits and there was a slight decrease in pairage sold so it was price increases of roughly 10 per cent. perr pair that produced the advance. Demand does not seem to have been much stronger so far in the current half as Hiltons' experience is that this summer's reflationary measures have benefited the credit consumer durable business rather than the predomi*nantly cash shoe trade.* But the forecast of unchanged full-year profits at least could be left well behind if there is an early, or harsh, winter—helping boot sales. So on projected earnings of 11½p a *p/e of 8 at 96p could look too* conservative though some discount to the average sector p/e of about 10 looks justified.

ISSUE NEWS

Francis Parker offer at 35p

Industrial and *Commercial* Finance Corporation announces that underwriting has been completed for the offer for sale of 6,167,000 Ordinary 10p shares in *Francis Parker* at 35p each. The offer follows the acquisition by Daniel T. Jackson (now called Francis Parker) of R. K. Francis and its subsequent acquisition of John Heaver (Holdings). The group is involved in the manufacture and supply of building materials and in commercial, industrial and residential developments in the South East of England.

The directors forecast that profits before tax for the year ending March 31, 1972 will amount to £950,000. On this basis the *forecast* annual dividend rate of 20 per cent. would be covered 1.46 times; at the offer price the yield is 5.71 per cent. and the p/e ratio is 11.97.

Brokers are Capel Cure Carden and Company, and *full details* will be published on Monday. Lists will open on Thursday, October 7.

CLOVER DAIRIES SCRIP

Clover Dairies proposes to make a scrip issue on the basis of one for two for holders registered on September 28. Profits for the current year ending April 1, 1972, are expected to exceed the £923,000 of the previous year. This being the case the directors intend to recommend dividends totalling 20 per cent. on the increased capital.

Continuous Stationery

London and Yorkshire Trust announces that underwriting has been completed for an offer for sale of 925,000 Ordinary shares in Continuous Stationery *at 55p each.*

The business, which consists mainly of the production and sale of printed continuous stationery for use in a variety of computer and other processes, is operated from premises in Whitechapel and Woodford.

Brokers are Laing and Cruickshank and full details will be published on Monday.

BIRMINGHAM LOAN

Application lists for the issue of the £10m. Birmingham Corporation 8 per cent. redeemable stock 1979-81, closed oversubscribed yesterday. The basis of allotment is as follows:—applications for up to and including £1,100 receive in allotment. Thereafter, about 4 per cent. of the amount applied for with a maximum *of £6,700* on any one application. Letters of allotment have been posted and dealings will start to-day.

IFI profit & dividend increased

A FINAL dividend of 12 per cent. by Industrial Finance and *Invest*ment raises the total from the equivalent of 18 per cent. to 20 per cent. for the year ended June 30, 1971.

After deducting £111,879 against £327,945 written off investments held by the finance subsidiaries, group profit, before tax, emerges £179,640 ahead at £1,244,694.

At the interim stage, when pro*fits* of £535,000 (£649,000) were reported, members were told the second six months should show profits at least comparable with those of the first half.

Chairman Mr. David Finnie, says the *improvement* in the second half had been greater than anticipated, due largely to "excellent profits" from Dawnay Day's banking and money market activities.

"Outstanding progress" continues to be made by the associate property company Compass Securities—but following sale of part of the group's holding last April in connection with long term financing arrangements, its results are not consolidated.

The chairman reports that the current year has begun well in all departments and prospects are good.

	1970-71 £	1969-70 £
Profit*	1,244,694	1,065,[illegible]
Taxation†	323,332	[illegible]
Net profit	921,362	725,[illegible]
Preference div., etc.‡	89,165	[illegible]
Available	832,197	[illegible]
Ordinary	601,827	[illegible]
To reserves	[illegible]	[illegible]
Forward	1,229,[illegible]	1,082,[illegible]

Franked investment income received amounted to £648,764 (£634,954). * Struck after £111,879 (£327,945) written off investments held by finance companies. † After deducting tax retained on dividends £239,041 (£222,146). ‡ Preference dividends paid to outside holders and other minorities.

● **comment**

Although IFI's interim statement last March had a cautious ring to it the shares have since been a firm market rising 45p to 140p before the news. A change in market conditions since the beginning of the year was clearly expected to boost IFI's profits so despite a second half jump of 70 per cent. at the pre-tax level for an overall increase of 17 per cent. the shares only put on 2p. The bulk of the upsurge did in fact come from banking and money market activities, reflecting the expansion of the banking side and the strong move into SCD's over the last two or three years. The current year has also kicked off on the right foot but again the shares on a p/e of 20 appear to be one step ahead.

OFFICIAL QUOTATIONS

Permission to deal in and quotation for the undermentioned securities has been granted:—

Barnet (London Borough of)—£1,000,000 [illegible] per cent. Bonds, 3rd October, [illegible] fully paid.

BIDS AND DEALS

SWS stake in Triumph Investment

Slater Walker Securities has spent £2.06m. in buying half of the Courtaulds Pension Fund stake in the financial group Triumph Investment Trust. The shares have been bought simply as an investment and some will go to SW investment clients.

Following the deal, the total holding of SW clients, and associates, in Triumph will be 12 per cent. of the equity capital. The Courtaulds stake will be reduced to 7 per cent.

Courtaulds is lowering its stake because the performance of Triumph shares has led to the investment becoming far and away the biggest single investment of the fund, and constitutes a disproportionately large percentage of its portfolio.

SW chairman, Mr. Jim Slater, was quick to emphasise yesterday that the purchase of the shares is solely on investment grounds, and has the full approval of the Triumph Board. He commented "I think the shares are cheap. I like the p/e growth rate, and the line of business."

Mr. Slater added that SW had a stake in most of the aggressive market companies, and that this purchase filled a gap in this policy.

SW paid 160p a share for its 1.3m. shares which represents a discount of approximately 10 per cent. on the market price of 183p, up 7p on the day.

CANNON ST. BUYS GOULSTON

The rumoured Cannon Street Investments acquisition turns out to be the much travelled Goulston Finance Holdings. CSI is buying Goulston from First National Finance Corporation for £5m. to be satisfied by the issue of 3.64m. Ordinary shares and £3m. nominal in CSI convertible. Subject to completion, Slater Walker and Simon and Coates have agreed to buy these securities from FNFC for £5m. in cash.

Because of the size of the acquisition in relation to CSI, the directors have requested a suspension of the CSI shares quote—yesterday they closed 1½p up at 58p. They consider the acquisition will further strengthen CSI's financial base and will make an important contribution to future growth.

On the basis of latest audited accounts to March, 1971, Goulston's net tangible assets amounted to £3.9m. Profit before tax for that year was £454,000.

Goulston was bought by Simo Securities from Paquin early in 1969. Simo was subsequently taken over by Town and Commercial Properties, which then sold Goulston to Spey Investments for £4.6m. It then moved to FNFC as a result of its recent purchase of Spey Finance.

See Lex

BOARD MEETINGS

The following companies have notified dates of Board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available whether dividends concerned are interims or finals and the sub-division shown below is based mainly on last year's timetable:—

TO-DAY

Interims—AC Cars, Barclay Securities, Beatson Clark, Booker McConnell, Clarke Chapman-John Thompson, Delta Metal, English and Caledonian Investment, First National Finance, Foseco Minsep, Fram Group, Francis Industries, General and Commercial Investment, Grampian Holdings, Huntleigh Investment, Morgan Crucible, Ready Mixed Concrete, Reed and Smith, Refuge Assurance, Reyrolle Parsons, Straits Rubber, J. and E. Sturge, Toye, TPT, Woodall-Duckham.

Finals—Astra Securities, Dowding and Mills, Goodman Bros. and Stockman, Howard and Wyndham, International Distillers and Vintners, Kenning Motor, Kennings Estates, Macallan-Glenlivet, Maynards, Ramar Textiles, Sonic, Sungei Bahru Rubber Estates, Willows Francis, Wingate Investments.

FUTURE DATES

Interims—

Advance Laundries	Oct. 5
Blackwood Hodge	Oct. 5
Braux Engineering	Oct. 5
Brook Street Bureau	Oct. 11
Compton (J.) Sons and Webb	Oct. 13
G. and M. Power	Oct. 4
Grattan Warehouses	Oct. 12
Jefferson Smurfit	Oct. 4
Marks and Spencer	Oct. 12
Overseas Financial Trust	Oct. 1
United Builders Merchants	Oct. 6

Finals—

Bound-Pelopah	Oct. 8
Brooks Ventilation	Oct. 7
Perak River	Oct. 7
Simpson (S.)	Oct. 7
Spark Holdings	Oct 6
Wombwell Foundry	Oct. 4

IONIAN-TRUSCON

Ionian Bank has purchased almost 49 per cent. of the troubled Truscon building group at 27p a share. The vendors were Shell Petroleum. Ionian intends to make a cash offer for the balance of the shares as soon as possible at the same price, valuing Truscon at a little over £1m. Truscon shares closed yesterday 1Gp up at 22½p.

LUBOK & THIRD MILE SELL SHARES

To raise working capital for expansion, Third Mile Investment has sold 1,128,000 shares (39.17 per cent.) of its holding in Lubok Investments and Lubok has sold 470,000 shares (39.17 per cent.) of Third Mile.

Proceeds are estimated at £35,000 for each company. Their holdings in each other have been reduced to 10 per cent. Clients of Slater Walker have bought 864,000 (30 per cent.) of Lubok and Slater Walker Investments has been appointed investment managers of Lubok.

Third Mile will use virtually all its monies towards part purchase of freehold properties on the City border which it intends to redevelop in due course. Third Mile, as known, is concentrating on property development within its overall policy as a finance company.

English Calico in Holland

By John Trafford

ENGLISH CALICO's affiliate in the field of non-woven textiles, the Bolton-based Lantor, has increased its equity stake in Firet NV of Veenendaal, Holland, from 50 to 75 per cent. The additional 25 per cent. was purchased from the Dutch textile group KNTU of Hengelo for about £500,000. The deal is being financed by a loan raised in Holland.

Both Lantor and Firet are specialised manufacturers of non-woven textiles on about the same scale. The Dutch company has a capital employed of some Fl.20m.; the remaining 25 per cent. of its equity is held by KTNTC, another Dutch textile manufacturer.

Lantor is jointly owned by English Calico and the American non-woven maker West Point Pepperell. It has licensees in France and Spain.

IOM CENTRE

A block of 400,000 shares in Isle of Man Holiday Centre (one-third of the capital) has been purchased by Mr. K. C. Nicholson at 17½p a share. In April Mr. Nicholson resigned, due to ill health, from the Board of Kwik Save Discount Group, which came to the market in December, 1970.

It has not been disclosed from whom Mr. Nicholson acquired his shares. A year ago, Mr. M. S. Birrane, a director of IOM, bought a similar sized holding at 20p a share from Mr. A. G. Figgins, former vice-chairman of IoM.

SEAFIELD

The chairman of Seafield Amalgamated Rubber, Mr. A. H. Marshall, has again circulated shareholders urging them to reject the offer from Sime Darby.

At the same time, Sime Darby is again setting out the advantages of its offer and reminds Seafield holders that it closes on October 1.

CONSTABLE HART

The formal offer document in connection with the recommended new offer on behalf of Thomas Roberts (Westminster) for Constable Hart has now been despatched.

More Bids Page 31

MINING NEWS

هكذا من الأجل

Cornish tin takes a major step forward

BY LESLIE PARKER, MINING EDITOR

TO-MORROW a historic event is due to take place in Cornwall. It will mark the addition of a third major mine to the country's tin productive capacity, one which could eventually raise total U.K. output to not far short of 5,000 tons per annum, worth some £7m. even at to-day's depressed price.

The occasion will be the official opening by Mr. Donald McCall, chairman of Consolidated Gold Fields, of the group's Wheal Jane mine to the west of Truro. The initial production target is 1,400 tons of tin with the prospect of this rate being doubled in due course.

The 600-tons-a-day plant is being fed from an underground lode with an average thickness of 12 feet and a tin content of 1.25 per cent. which will be worked at an initial depth of 263 feet.

The success of this £6m. venture depends primarily on the metal recovery process based on froth flotation, a method for the treatment of finely grained tin ore developed in recent years. This is being used in conjunction with the conventional gravity plant. It was the inability of the miners to recover the fine grains of tin that played a part in Wheal Jane's closure in 1913.

No official earnings estimates have been given but Lodestar's assessment made a year ago was that a possible gross profit of around £0.75m. per annum might be achieved on the basis of the initial output target. It should be noted, however, that tin was then £1,500 a ton. It is now down to nearly £1,400. Even at this low level, production of 1,400 tons a year would bring a cash flow to Gold Fields of just on £2m., a figure that will also represent a corresponding saving in the U.K.'s metal import bill.

CLEVELAND TIN ORE RESERVES

One of Australia's major tin producers, Cleveland, a member of the Aberfoyle group now controlled by the big Canadian Cominco group, computes that total ore reserves at the north-western Tasmanian property were 3.7m. tons of 1 per cent. tin and 0.42 per cent. copper on June 30 last. This compares with 2.87m. tons a year previously. Recent drilling has indicated a possible further ore tonnage of 2.8m.

Mill throughput has now reached a 360,000-tons-per-annum rate the company states. In the year to June, ore treated was 305,726 tons for the production of tin in concentrates of 1,557 tons, compared with 1,473 tons in 1969-1970. The lower metal price, however, led to a sharply lower net profit of $1.1m. and the dividend was reduced by 1 cent to 4 cents.

Significant increases in wages and the costs of materials and services also affected earnings. Cleveland shares were unchanged at 28p in London yesterday.

MINE FIRE AT RUSTENBURG

All production at the Union section of the Rustenburg Platinum Mines property in the Transvaal has been halted by an underground fire. The fire has been isolated in the northern area and it is hoped that by to-day smoke and fumes will be sufficiently cleared from the southern area to enable the majority of the miners to resume work.

Last week Rustenburg announced that, because of the continuing over-supply in platinum, the company was to halve production of the metal. The resultant loss of some 8,800 jobs, however, was not expected to affect men employed at the Union section of the mine. Of the Rustenburg holding companies, Potgietersrust eased 1p to 91p yesterday.

ROEBOURNE EX. SHARE ISSUE

A prospectus to raise $0.5m. (£0.23m.) by the issue of 2m. shares of 25 cents (11.6p) at par has been registered by Roebourne Exploration and Mining in Australia. The company aims to acquire up to a 40 per cent. interest in the West Pilbara mineral tenements of American Metal Climax.

Roebourne will have to spend $0.35m. on exploration to earn its interest in the tenements. About $0.25m. has been already spent and the environment is reckoned to be particularly favourable for massive copper, zinc, silver and nickel sulphide deposits. Values of up to 12 per cent. zinc, 0.95 per cent. nickel and 0.43 per cent. copper have been obtained in drills put down by Amax.

WESTWARD TV

The 11 shareholders attending yesterday's meeting of Westward Television gave support to the company equipping its studios for full colour.

They were asked by chairman Mr. Peter Cadbury if they agreed. The cost, he said, would be about £200,000 to equip the main studio, with extra running costs of some £50,000 a year, and would obviously affect profits.

Mr. Cadbury also asked shareholders to think of ways to invest large capital sums held in reserve by Westward. He had in mind the "tremendous" development and need for recreational facilities when M4 was finished.

Universal Grinding downturn

FOLLOWING the May indication that first half results would not be as good as those of 1970, Universal Grinding has turned in profits before tax down from £1,719,000 to £1,454,000 for the six months ended June 30, 1971.

Chairman Col. M. D. Molloy says the share of markets has been maintained and, in some cases, increased but industrial demand has remained dull with the result that group sales at £11.25m. were slightly below the £11.93m. of the 1970 first half.

As regards earnings—£819,000 (£889,000)—favourable factors were the reduced rate of corporation tax and higher rates of capital allowances.

An unchanged interim dividend of 8 per cent. is declared—for 1970 the total was 21 per cent. paid from profits of £3.36m.

Earnings per 25p share (annual rate) are stated at 9.4p (10.1p) actual; and 9.1p (9.8p) after conversion of loan stock.

	Six months 1971 £000	Six months 1970 £000	Year 1970 £000
External turnover	11,251	11,931	22,889
Trading profit	1,352	1,561	3,243
R-R provision	—	—	236
Share associates profits	164	233	491
Invest. income	15	22	55
Loan interest	97	97	193
Profit	1,454	1,719	3,360
Taxation	563	760	1,424
Net profit	891	959	1,936
Outside interests	72	70	153
Earnings	819	889	1,783
Dividends	359	359	936

On the future the chairman says that although the group is "very well placed" to take advantage of any increase in industrial activity, recent measures to stimulate the economy must take time to have effect and are now unlikely to produce any significant change in sales or in profitability rate for the rest of the year. As an indication of confidence in the future capital expenditure approved is at a higher level than in recent years.

See Lex

Scottish TV profit

THE REDUCTION in levy, a substantial increase in advertisement income, and success in containing costs, has enabled Scottish Television to show an "impressive improvement" in the first half of 1971.

Against a loss of £119,599 in 1970, there is a return to profitability with £473,675. To improve liquidity the interim dividend is passed, but the directors hope to recommend a payment for the year. The last dividend was 87½ per cent. for 1968.

Prospects for the remainder of the year are good, although the company has to absorb much higher network programme charges and the cost of wage settlements.

	Half Year 1971 £	Half Year 1970 £
Advertising	2,904,773	2,568,139
Deduct levy	234,237	486,328
Other income	56,727	40,991
Expenditure	2,235,568	2,250,401
Profit before tax	473,675	*119,599

* Loss.

RECENT ISSUES

EQUITIES

Issue Price p***	Amount Paid Up	Latest Renunc. Date	1971 High	1971 Low	Stock	Closing Price p***	+ or −	Div. % or Amount	Times Covered	Gross Yield	P/E Ratio
—	F.P.	—	51	39	Cap. & Counties W'rr'ts	39	−2	—	—	—	—
♣	F.P.	—	220	150	Carron Co. (Hldgs)	150	......	b20	2.3	3.3	23.1
5	nil	—	13½	12½	Cosalt Warrants	13½	......	—	—	—	—
44	F.P.	27/8	65	52	Forminster 10p	65	+2	b37½	1.4	5.8	18.4
—	F.P.	29/10	96	88	Grand Met. Warrants	90	−2	—	—	—	—
—	F.P.	16/9	77½	65	Mucklow (A.&J.) Dfd.	76	......	—	—	—	—
—	F.P.	—	161	150	Slater W.Secs. W'rr'nts	153	−1	—	—	—	—
100	F.P.	—	105	102	Slater W.Inv. Tst. (50p)	103	−1	b4	—	1.9	—
28	F.P.	3/9	36	32½	Thanet Inv. Warrants	33½	−½	—	—	—	—
90	F.P.	—	79	60	Tigon Group	72	−3	bd55	2.0	4.9	10.5
—	—	5/11	55	38	Tr'falg'r Hse 'B' W'rr'ts	49½	−½	—	—	—	—
♣	F.P.	—	93	77	Unitech 10p	77	......	a10	4.0	1.8	19.8
♦17½	F.P.	8/9	18	16½	Wright-Scriven (12½p)	17¼	......	b12	1.5	8.7	7.7

FIXED INTEREST STOCKS

Issue Price	Amount Paid Up	Latest Renunc. Date	1971 High	1971 Low	Stock	Closing Price	+ or −
‡‡	F.P.	—	123	113	Adepton new 8½% Conv. Uns. Ln. 90/95	117½	......
£100	£10	20/1	15¾	10⅞	Agr. Mort. 9% Deb. 1979-82	15⅝	+¾
$100	F.P.	—	101	98½	Airlease 9% Gua. $ Bds. 1986	101	+1
$100	F.P.	—	101	99	Do. 8½% Gua. $ Notes 1976	101	+1
‡‡	F.P.	17/9	112	96	Butterley 10% Part. Conv. 1976	112	......
£100	F.P.	22/10	125	106	Cavenham 10% Partly Conv. '91-6	123	......
£100	F.P.	22/10	103	101½	Do. 11% Uns. Ln. 1976	103	+½
‡‡100	F.P.	—	89	85	Central & Sheerwood 10% Uns. 1981	88	......
£100	F.P.	29/10	128	115	Concentric 10¾% Cnv. 1986	128	......
£100	£65	14/1	76	67	Distillers 10½% Uns. Ln. '93-8	75¼	−¾
£100	nil	—	10	5½	Dowty 7% Conv. Uns. '86-91	7pm	−¼
‡‡	—	14/10	115	93	Drakes 10½% Uns. Ln. 71/78	101½	......
£100	F.P.	—	120	104	Do. 10½% Part. Con. Uns. 1976	120	......
£99	F.P.	1/10	111	101¾	Eastbourne Water 10½% Red. Deb. '95-7	111	......
**100	F.P.	—	111	110	Do. 10% Red. Pref. 1976	111	......
£100	£25	—	31	30	Essex Water 10% Deb. 1992-4	30¾	−¼
£100	F.P.	29/9	107¼	100¾	Flag Inv. 10½% Deb. Stk. '91-6	107	......
£100	F.P.	—	110½	106	Gillett Bros. 10% Sub. Uns. '91-6	110	......
£100	F.P.	29/10	104¼	100¾	Grand Met 9½% Uns. '77/79	104¼	......
£100	£50	—	55½	54¾	Do. Do. 4¾% Cum Pref.	55½	......
£100	£25	—	35	28½	Guinness (A.) 10% Uns. 1993-98	32¼	−¾
£100	F.P.	—	104¼	100	Int. Bank 8% 1976	104	......
£100	F.P.	—	102	98½	I.C.I. Int. Fin. 8% ST. D.M. Bds. '78-85	101¼	......
£97	£10	4/2	13½	10	Ireland 9½% Stock 1991-96	13	−½
£100	F.P.	—	110	102	Kulim 10½% Conv. Uns. Ln. Stk. 92/97	110	......
£100	nil	—	11½	3½	Lon. & Mid. 8½% Conv. Uns. 1988-91	3½pm	−1
£100	£80	—	80½	80½	Lunt C. & Pitt 8½% 1st Mort. Deb. '90-5	80½	......
£99	£30	15/12	32½	30¾	Nottingham 8% Red. Stk. '79-80	31⅞	......
£100	F.P.	5/10	124½	114½	Racal Elect. 6% Conv. '95-2000	123	......
††	F.P.	—	42	41	Rothschild Inv. 4½% Deb. Stk.	42½	......
††	F.P.	—	51	47	Do. 5% Cum. Pref.	51	......
††	F.P.	—	58½	53	Do. 6% Cum. Pref.	58	......
£99	£50	31/1	60½	50	Sheepbridge 10½% Deb. '92-7	60½	......
£100	F.P.	—	106½	101	Simonside Inv. 4½% Conv. Uns. 1976	101	......
£100	F.P.	—	114	105½	Slater W. Inv. 8½% Part Conv. 1981	113¾	−¼
††	F.P.	14/10	151	125	Tozer Kemsley 8% Conv. 1981	141	−2
£100	F.P.	5/11	107	101½	Trafalgar Hse. 10½% Uns. Ln. 2001-6	106¼	−¾
a£100	F.P.	—	53½	52½	Yorks Chems. 10% Deb. 1991-6	53	−⅛
£100	£10	29/10	16½	16½	York Water 10% Red. Pref. 1976	16½	......

"RIGHTS" OFFERS

Issue Price p***	Amount Paid Up	Latest Renunc. Date	Stock	Closing Price p***	+ or −
12½	F.P.	—	Bristol Plant	14½	......
100	Nil	—	Chubb & Sons	16pm	......
50	Nil	—	Cosalt	54½	......
70	Nil	—	Dutton-Forshaw	24½pm	−1½
88	F.P.	—	London & Lennox 'B'	94	......
47	—	Nil	Oil & Assoc.	48	−1

Renunciation date usually last day for dealing free of stamp duty. a Placing price to public. b Figures based on prospectus estimate. d Dividend rate paid or payable on part of capital; cover based on dividend on full capital. k Figures based on prospectus or other official estimate for 1969-70. p*** Pence unless otherwise indicated. ** Issued by tender. ‡ Offered to holders of Ordinary shares as a "rights." ♥ Issued by way of rights. † Rights by way of capitalisation. †† Tender allotment price. ♦ Reintroduced. ‡‡ Issued in connection with reorganisation, merger or take-over. ✻ Provincial quotation. ♣ Introduction. ♦ Issued to former Preference holders. ¶ Dealt in under Special Rule. ‡ Price at time of suspension.

INTERNATIONAL COMPANY NEWS + EURO MARKETS

Boeing or McDonnel may get Japanese jet design job

BY OUR OWN CORRESPONDENT

TOKYO, Sept. 29.

JAPAN'S Aircraft Industry Council, an advisory organ of the Ministry of International Trade and Industry (MITI), has reduced the choice of a possible foreign partner for participation in the designing and local manufacture of a medium-range, jet passenger and cargo aircraft to either the Boeing Company or the McDonnel-Douglas Corporation, both of the U.S.

The council also recommended that development of the new aircraft, presently known as theY-X, should be undertaken by a non-profit making organisation which would be established to assume responsibility for the project. Private companies in Japan would be assigned the job of mass-producing the plane in co-operation with one of the American companies.

In the meantime, the Council recommended that five Japanese aircraft makers share the burden of clearing the deficit of some $56m. resulting from the production of the YS-11 turboprop airliners by the Government-subsidised Nihon Aeroplane Manufacturing Company (NAMCO).

It is expected that the Japanese Government will be forced to absorb most of $33m. of the deficit which the private companies can not take care of. Some of the smaller concerns doing business with NAMCO are likely to find themselves assuming responsibilities for a portion of the deficit.

In the meantime, the debt-ridden company will continue to manufacture and sell parts and provide maintenance service to those firms which have leased or purchased outright the YS-11 aircraft over the past few years. This operation is likely to continue beyond 1974, in the opinion of Japanese aircraft specialists.

Despite the financial failure of the YS-11, it is becoming apparent that the Japanese Government intends to provide extremely heavy financing for the new aircraft project. It is assumed that production of the YS-11 will cease by the end of March next year when the programmed output of 180 of the aircraft is completed.

NAMCO has sold 73 of the YS-11 planes and leased others. Dollar payment balances on these aircraft still outstanding are considerable.

MITSUBISHI TO BUY BELGIAN DRUG "KNOW-HOW"

MITSUBISHI Petrochemical Company has signed a five-year co-operation agreement with Continental Pharma S.A., of Brussels, that marks the Japanese company's entry into the pharmaceutical field.

Under the agreement, Mitsubishi will transfer "substantial funds" every three months to Continental Pharma, while the Belgian company will take in Japanese scientists to research in the anti-rheumatic, analgesic, dermatological and cardiovascular fields.

Mitsubishi will have exclusive development and marketing rights to the Belgian company's products in the South East Asian markets.

Pirelli Int. sales and profits up

BASLE, Sept. 29.

SOCIETE INTERNATIONAL Pirelli to-day reported consolidated group sales of Sw.Frs.2,500m. in the year ended June 30, up from Sw.Frs.2,300m. a year earlier.

Earlier this month, Pirelli International reported net profit of Sw.Frs.26.6m. for the year, up from Sw.Frs.27.1m., with an unchanged dividend of Sw.Frs.12 per share.

The annual report said that sales rose specifically in Great Britain, Greece and Brazil. Current year prospects were described as favourable for Pirelli's business in Britain, Argentina, Peru and Greece.

It said the Italian market does not offer any near-term prospects for substantial improvement.

Pirelli's merger with Dunlop has proved "satisfactory," the report said.

HALF MASERATI ON SHORT TIME

MASERATI, the prestigious Italian car manufacturer, is putting over half its workforce on short time. It will reduce the work week for 370 of its 600 workers by eight hours between October 4 and December 18 because of a sharp decline in U.S. orders for its cars. Reuter

KOOR SELLS 50% OF ISRAEL STEEL

A GROUP of European and U.S. steel companies are acquiring 50 per cent. of Israel Steel Mills, in Acre, which is now exclusively owned by Koor, the industrial holding company of the Israel Labour Federation. It produces high grade steel bars for construction and other purposes. Over $8m. is to be invested in expanding and modernising facilities to increase output from 130,000 tons yearly to 225,000 tons.

Monaco's Ste. Bains de Mer in the black

BY JANE BERGEROL

PARIS, Sept. 29.

MONACO's State-run Societe Anonyme des Bains de Mer et du Cercle des Etrangers has pulled its affairs once again out of the red this year, after losses for the 1969-70 financial year of over Fr.2m. The financial year ending March 1971 managed to bring in consolidated net profits of Fr.4.9m., while cash flow increased to Fr.14.6m.

Revenues were up from Fr.86.5m. to Fr.104.9m., mainly due to a large rise in gambling revenues to Fr.69.3m. Revenues from what the group terms "principal activities" which include gambling, the Opera de Monte Carlo and Monte Carlo theatres, and the Bains de Larvotto, increased 27.6 per cent. But gambling revenues alone accounted for the bulk of the increase, since they rose no less than 28.5 per cent.—while gate money taken on admissions rose 19 per cent., all providing strong evidence that the SBM's policy of attracting the new generation of younger businessmen is beginning to show results.

In the Annual Report, moreover, SBM is anxious to prove its traditional gambling games are those which are providing the increase in revenue, and the return to popularity of the principality, since it goes to pains to point out that gambling machines did not take in a greater revenue this year than last, disproving allegations that the machines were rapidly becoming the main money-spinners.

The SBM also attributed its increased profitability to strict economising, with expenditure increasing only 5.9 per cent. over last year to Fr.92.2m. A dividend of Fr.0.55 per share will be paid out for every Fr.5 share. DeslyOAih

SKF earns 13.5% less

By John Walker

SKF, the Swedish ball bearing company, reported that group sales went up by 4.4 per cent. to Kr.3.176m. during the first eight months of the year, compared with the same period in 1970.

Profit before provisions and taxes was 13.5 per cent. lower at Kr.281m. than that recorded during the first eight months of last year. The financing of the group's investment programme—amounting to Kr.466m. this year, compared with Kr.282m. last year—has led to increased interest charges, and this together with the slow-down in economic activity in SKF's major market has brought about the decrease in profit.

World Bank on dangers of expropriation

WASHINGTON, Sept. 29.

WORLD BANK President Robert S. McNamara is preparing to warn developing countries that "painful and destructive" confrontations resulting from the expropriation of foreign investments can jeopardise the flow of private investment capital into an entire region.

The forum for Mr. McNamara's remarks is expected to be the annual meeting on Thursday of the little-known World Bank affiliate, the International Centre for Settlement of Investments Disputes (ICSID), which came into existence in 1966 with the backing of 62 countries but which has not yet had a single international investment dispute referred to it for arbitration.

Mr. McNamara, in his prepared remarks for this meeting, does not specifically name any country.

Mr. McNamara is urging both the developed nations and the developing countries to make use of the International Centre for Settlement of Investments Disputes. He is also advising officials of major international companies to become acquainted with the facilities that this World Bank affiliate can offer.

Mr. McNamara termed as extremely "disquieting" what he called the growing tendency in some parts of the world to hold that a Sovereign State "has the right to annul agreements freely concluded with foreign investors whenever government officials consider that the terms of a contract are no longer satisfactory."
AG-DJ.

TOYOTA MOTORS

Not-so—willing exporters

BY HENRY SCOTT STOKES IN TOKYO

ONE OF THE great strengths of the Japanese economy is that, when domestic demand flags a little, as it has been doing recently, then production is at once switched to the export market—so the Japanese economic machine continues ploughing forward without faltering. This has been well demonstrated by the Japanese motor industry this year— and not least by Toyota Motors, the biggest company in the industry.

But Toyota is an example of a company that is reluctantly being forced to export more than it would wish. It has become an unwilling exporter.

Last year, with production at 1,610,000 units, Toyota sold 480,000 vehicles overseas, of which 220,000 went to the U.S. market. This year exports are being increased further at tremendous speed, while something like a ceiling on domestic demand has made its appearance. Thus, the prospect is that this year the company may sell nearly as many vehicles overseas as at home. The latest figures for exports and domestic registrations even show the former ahead, with exports of 73,733 units in July (the latest month for which figures are available) and some 69,361 units of domestic registrations in August. This is a most extraordinary change for an industry and a company which have typically depended on the domestic market for the overwhelming majority of sales—and only began exporting in earnest a few years ago.

Such has been the speed of the change that Toyota leaders even seem to have been caught a little off their guard.

"Ideally, we will export only about 30 per cent. of our production," says Mr. Shoichiro Toyoda, senior managing director of Toyota Motors. But what is not clear is how this lower level—if that indeed is what it is—will be reached. This is all the more the case if one considers that Toyota is apparently pinning its hopes on foreign markets for expanding sales further and most recently the Chinese market.

A Toyota mission has just returned from China—the first such group to be despatched by the company—and has given the impression that Toyota's future there is rosy. No one expects the picture to change very rapidly; but at least the gloom which spread after the announcement of Mr. Nixon's economic package on August 15 has been slightly dissipated. The company believes that it can at least hold sales to the U.S. (expected to be "about 350,000 this year," according to Mr. Toyoda) at around present levels, which are greatly up on last year. And that it can, in the longer run, begin to exploit that new "market of 800 million" upon its doorstep.

Mildly bullish talk along these lines has probably helped Toyota stock to rise in the last day or two.

Not that China—or even the Nixon surcharge and the floating of the Yen at the end of August—are going to have a big impact on Toyota in the short term. The prospect for this term, which ends in November, is good. Sales are expected to rise to about Yen 505,000m. (as compared to Yen 482,000m. in the previous term) and that profits will be around Yen 20,000m. (against 17,700m.).

The effects of the surcharge, and of revaluation, will scarcely appear this term, it seems—though there could perhaps still be surprises in store. Domestic sales are receiving a fillip at the moment from the impending automobile tax, to start in November, before the imposition of which there should be a rush of buying; and Toyota's sales campaigns overseas are reaping their best harvest this year.

Questions arise, then, over the coming six-month term rather than over the present one. How will Toyota fare in the U.S.? Everything depends on the extent of revaluation, Toyota men will say as a first reply; but the follow-up comment—that "we have strong confidence in our products"—is perhaps the more important one. Even if the revaluation (with or without surcharge) were to be of the order of 15 per cent. against the U.S. dollar, Toyota could probably maintain its position.

But maintaining a position is not the same as pumping up sales at breakneck speed. In future Toyota may have to change its ultra-expansionist policy, or perhaps it would be more correct to say that the process of becoming psychologically attuned to much slower growth has already been well-embarked upon. "Investment will in future fall, in absolute amounts," according to Mr. Toyoda.

In the meantime, what is one to make of that "target" of exporting only 30 per cent. of production? For the future, with Toyota's capacity at two million units this year already, it is hard to see the company staying within this 30 per cent. limit. There is going to be more competition inside Japan—and the only real scope for big increases in sales may be overseas. The search is on this year for new export markets, not only China, for example, and the U.K., where sales of Japanese cars are rising rapidly, though from a tiny base, but just anywhere in the world where Toyota and its allies can find footholds.

IN BRIEF

Europe

● DUNLOP IBERICA, operating with British capital participation, is floating Ptas.100.5m. convertible debentures issue on the Spanish capital market. The 10-year debentures pay a 6.5 per cent. (after-tax) net interest rate per year and can be converted into company shares between 1974-1976 with a 10-20 per cent. rebate on the average price of shares in the preceding six months. The company's shareholders have preferential right to subscribe at the rate of three debentures to four shares.

● FIRST NATIONAL CITY BANK, through its wholly-owned subsidiary, First National City Overseas Investment Corporation, has taken an equity position in the Societe Internationale d'Etudes et d'Investissements Immobiliers en France (SIIF). SIIF was founded in 1969 by the Immobiliere Construction de Paris, one of the most important groups in France specialising in real estate. Other shareholders in the SIIF include Samuel Montagu and Co., Banca Commerciale Italiana, Credit Suisse, and the Frankfurter Hypotheken Bank.

● SHELL FINANCIERINGS MIJ'S Fl.150m. 15-year 8¾ per cent. loan has been priced at 101 per cent., the issuing consortium said. Lists for the loan, guaranteed by Shell Petroleum NV, will open on October 1.

● AARDAL OG SUNNDAL VERK A/S (ASV), the Norwegian aluminium producer, said it plans to reduce its output further next year because of overproduction. The company also announced a sharp pre-tax profit drop. ASV will cut its 1971 production by 35,000 tons. Its production capacity is 300,000 tons a year. Sales for the first half of 1971 rose to Kr.548.4m. from Kr.517.5m. a year earlier. Profits before taxes dropped to Kr.46m. for first half of 1971 from Kr.80.6m. for first six months of 1970.

● KAVALIER GLASS WORKS at Sazava, Czechoslovakia, said its output of technical and laboratory glass will be double at the end of 1972 when 41 new production facilities are scheduled to be put into operation. British, Italian, French and West German companies are providing some of the equipment for the new facilities.

Others

● SCHLOEMANN AG has received a second steel rolling mill contract from South African Iron and Steel Industrial Corp. (ISCOR), of Pretoria. The mill is to have annual production of 550,000 tons of fine steel from an oven production of 140 tons an hour. ISCOR recently ordered complete steel rolling mill from Schloemann.

● HONDA MOTOR COMPANY said foreign holdings of its shares had increased to 29.2m. shares as of the end of August from 9.46m. shares last February. This accounted for 8.03 per cent. of Honda's total equity. Active purchases by American corporate investors were responsible for the sharp increase in foreign holdings, Honda added.

● THEISS HOLDINGS in Sydney declared final dividend of 7.75 per cent., making 14 per cent. for the year ended June 30, against 10 per cent. the previous year. Consolidated net profit rose to $A2.08m. from $A0.4m. on sales of $A90.6m. ($A73m.).

● AMPOL PETROLEUM said in Melbourne that it plans to diversify into property development and management and has set up a separate wholly owned subsidiary, Ampol Property Development Pty.

SELECTED EURODOLLAR BOND PRICES MID-DAY INDICATIONS

	Bid	Offer		Bid	Offer		Bid	Offer
Straight			Oslo 8½pc 1986	93½	94½	Borden 6½pc 1991	105½	106½
Atlas Copco 9½pc 1985	101½	102½	Olivetti 9½pc 1985	101½	102½	Chrysler 5pc 1988	72½	73½
ASEA 8¾pc 1986	94	95	Ontario Hydro 8½pc 1986	94½	95½	Contntl. T'phone 5¼pc 1988	95½	96½
Beecham 8½pc 1986	93½	94½	Philips 6½pc 1976	94	95	Eastman Kodak 4½pc 1988	99½	100½
Borregaard 8½pc 1986	94½	95½	Quebec Hydro 8½pc 1986	93½	94½	Equity Funding 5½pc 1989	88	89
Conoco 8pc 1986	93½	94½	Transocean Gulf 8pc 1986	93½	94½	Firestone 5pc 1988	98	99
Conoco 9½pc 1985	102½	103½	Notes			Ford 6pc 1986	103½	103½
Courtaulds 9½pc 1985	100½	101½	Cabot 8½pc 1975	100	101	Fuji Photo Film 6½pc 1985	133 bid	
Denmark 9pc 1982	101½	102½	Ericsson 8½pc 1975	100½	101½	Honeywell 5pc 1983	110½	112½
Esso 8pc 1986	96½	97½	Esso 7½pc 1978	95½	96½	Kinney 4¾pc 1990	108	109
Esso 9pc 1985	102½	103½	Esso 8½pc 1973	102½	103½	Komatsu 6½pc 1984	87	88½
General Mills 8pc 1986	92½	93½	Gatx Oswego 8½pc 1977	96½	97½	Michelin 6pc 1985	95	96½
GUS 8½pc 1986	94	95	Hawker 9pc 1975	100	101	Murphy 5pc 1989	82½	83½
Hambros 9½pc 1985	102½	103½	Nippon Petr. 7½pc 1973	97½	98½	Owens Illinois 5pc 1977	99	100
Hamersley 9½pc 1985	100½	101½	Oslo 9pc 1975	102½	103½	Pepsico 4¾pc 1981	136½	138
ICI 8½pc 1982	83½	84½	Transocean Gulf 8½pc 1975	101½	102½	Rand Selection 6½pc 1988	91½	93
Ireland 8½pc 1989	91½	92½	Source: White Weld Securities.			Revlon 4¾pc 1988	101½	102½
ISEC 9pc 1985	100½	101½	Convertibles			R.C.A. 5pc 1988	87½	88½
Massey Ferguson 9pc 1982	100½	101½	American Can. 4¾pc 1988	78	79	Texaco 4¾pc 1988	85	86
Monsanto 8½pc 1985	100	101	American Brands 5¾pc 1988	115½	117	20th-Century Fox 5pc 1987	52½	53½
Mt. Bk. Finland 8½pc 1986	93½	94½	Amoco 5¼pc 1984	95½	96½	Union Carbide 4¾pc 1982	92½	93½
Occidental 9½pc 1982	96	98	Beatrice 7¾pc 1990	116½	117½	Source: Kidder, Peabody Securities.		

COMPANY NEWS

Phoenix profit and interim up

A £700,000 improvement in first half 1971 profits is reported by Phoenix Assurance. The interim dividend is stepped up from 3.75p to 4p per 25p share—the 1970 final was 4.75p.

Underwriting profit is up from £809,000 to £887,000, long-term insurance surplus from £300,000 to £325,000, and investment income from £3.12m. to £3.63m.

The directors state that a satisfactory rate of premium growth has been accompanied by a further improvement in the overall underwriting result. There has been a substantial improvement in the U.S. and a profit was again earned in the U.K. despite a loss on motor business. Elsewhere the overall result was not significantly changed from last year.

Included in the figures is the U.S. result, which shows an operating ratio of 98.7 per cent., against 101.1 per cent.

New life business in the first half shows an accelerated rate of development, new sums assured being as follows: U.K. £104.3m. (£85.5m. and £209.8m. for year), overseas £35.7m. (£26.5m. and £69.5m.). In addition, new annuity business in the U.K. grew substantially.

Poor first half for Yatton

Members of Yatton Furniture were told at the annual meeting that while sales remained reasonably satisfactory, results for the first six months of the current year were bound to be poor.

Much would, therefore, depend on trading in the second half but results for year "will not be satisfactory."

The position of Avalon, the principal subsidiary, had not improved in recent weeks. Management changes had been made and Mr. Beaumont had taken over as chief executive of Avalon and the group.

The directors had confidence in the product development programme and no change was contemplated in the marketing policy.

Crowe Wilson growth

A higher total dividend, more than doubled profits, and a one-for-five group issue are forecast by Crowe Wilson and Co., fast-expanding Dublin distribution group.

The directors of the company, which recently acquired a one-third shareholding in Thos. Dockrell Sons, says group attributable profits for the year to January 31, 1972, are expected to be not less than £200,000 (£85,700). Inclusion of Dockrell's figures on the basis of its 1970 results would raise the figure to £230,000.

Crowe has acquired 80 per cent. of the capital of George J. Crampton and Co., Dublin furnishings and fabric distributors, and 30 per cent. of McKone estates, property development and house-building company, also of Dublin. Both will "add greatly" to group profitability, it is stated.

Rockware improvement: interim up

FIRST HALF pre-tax profit of the Rockware Group shows a big improvement at £652,000, against £224,000, obtained from a turnover up by £2.6m. at £15.6m.

The interim dividend is lifted from 4½ per cent. to 5 per cent. and, on results to date and the directors' view that first-half progress will be continued into the second, a total of not less than 13 per cent. is intended. This would restore part of the cut from 15 per cent. to 11 per cent. made for 1970 (53 weeks) when pre-tax profits fell to £720,000, from £1,052,000 in 1969.

Chairman, Mr. Peter Parker, points out that the profit for the half-year was still significantly ahead of the £369,000 for the similar period in 1969. He recalls, however, that the group was hard hit in 1970 by the phased closure of the Liverpool factory and the teething problems at the new Wheatley plant.

Plastics operations continue to face difficulties but engineering sales and profits again showed steady growth. The improved results were, however, almost entirely due to a better performance from glass where increased productivity, reduced overhead and some benefit from the May 1 price increase all contributed.

Mr. Parker says the "relay race" of cost and price increases, which outpaced Board plans last year, has slowed. "We are optimistic that there will be a constructive response from industry and trade unions to the CBI initiative to which we have pledged our support," he tells members.

	26 weeks 1971 £000	1970 £000	53 weeks 1970-71 £000
Turnover:			
Glass	14,560	12,106	27,209
Plastics	820	726	1,446
Engineering	252	185	491
Total	15,632	13,017	29,146
Operating profit:			
Glass	1,028	558	1,477
Plastics	2	39	18
Engineering	96	68	164
Total	1,126	665	1,659
Interest received	—	—	3
Interest charges	474	471	942
Profit	652	194	720
Tax	261	101	291
Net profit	391	93	429
Minorities	20	14	33
Balance	371	79	396
Pref. dividend	23	21	44
Attrib. Ord.	348	58	352

Stanley Miller setback

First half 1971 profit from builders and contractors Stanley Miller Holdings has slumped from £77,252 to £2,592, and the interim dividend is being passed.

However, chairman Mr. E. Bell says the directors are much concerned that the overall dividend pattern is at least maintained and hope that the position at the year end will permit this. For 1970, the total dividend was 20 per cent. (paid in two equal instalments) from a profit of £124,914.

He tells holders that the major long term contracts causing difficulty have been completed, but cost inflation has continued to erode margins on other fixed price contracts.

Two other contributory factors are delayed starts to new contracts and overrunning of some others. In the latter, there are outstanding claims against clients and settlements which can be achieved by the year end.

The order book is at its highest. Over £7m. of new work has been obtained so far this year, an improved proportion of this on a fluctuating price basis. The bulk of local authority contracts are fixed-price and the rate of profitability is very much dependent on inflation.

Meat Trade Suppliers'

FOLLOWING the first-half fall from £211,422 to £190,054, in group pre-tax profits, Meat Trade Suppliers now reports that the figure for the full year to April 3, 1971, slumped from £432,237 to £168,172.

The final dividend is being cut from 30 per cent. to 10 per cent., making with the maintained 15 per cent. interim, a total of 25 per cent., against 45 per cent.

U.K. tax took £73,123 (£176,819 after transfer to deferred tax £5,018), leaving the net profit at £95,049 (£235,414). There is added exceptional items of £6,393 (£2,272).

Mr. W. C. Anstis, chairman, and others waived their right to the interim dividend on 960,000 Ordinary shares and are waiving the final on the same number, so that the total absorbed in dividends is £90,000 (£144,000 after waivers). It has been decided to defer for the time being consideration of an interim for 1971-72.

Aerialite

Mr. L. S. B. Hargreaves, chairman of Aerialite, says "We are looking for another successful year and the feeling of my fellow directors and myself is one of confidence."

As reported on September 7 pre-tax profits rose from £292,508 to £308,386 and the dividend is 11 per cent. (9½ per cent.) for the year ended May 30, 1971.

Mr. Hargreaves refers to his statement last year and his remarks upon the effect of the expansion of group production facilities. He says the benefits have undoubtedly come through in the year and there are further benefits yet to be derived which he is sure will be reflected in the current year.

Meeting, Staleybridge (Cheshire), November 3 at 3 p.m.

Plessey's exports nearly £40m.

EXPORTS from the U.K. by the Plessey group rose by over 20 per cent. to a record £39.7m. in the year ended June 30, 1971.

Another achievement was the increase in world-wide sales of telecommunications systems and equipment, which topped £100m. for the first time. Other contributions to the £258m. total turnover were: electronic equipment (including radar and radio) £66m.; aerospace equipment and industrial hydraulics £27m.; electronic and mechanical components £60m.

Although the volume of Plessey Telecommunications sales has increased considerably, its contribution to total turnover was lower at 41 per cent. (45 per cent.), indicating the broad base of the overall operations.

As reported on September 16, group profit came to £22.32m. (£24.9m.), before a loss of £1.47m. for Alloys Unlimited, and the dividend is held at 5p.

At June 30, commitments for capital expenditure were £5.47m. (£7.05m.), of which £2.79m. (£4.47m.) was contracted.

Reviewing future prospects, Sir John Clark, chairman and chief executive, says there are some big tasks ahead. The financial position is strong and Plessey's abilities "in every sense are growing stronger"; what has been done to date is to make the company not only larger but potentially more profitable; this will be in the longer rather than the short term.

As to the short term, the first half of the current year is unlikely to show any improvement, but he believes the group can look more confidently at the second half. In the U.S. a slow but progressive economic and industrial improvement is anticipated, and at home results from the Government's consumer tax changes and other aids may not show themselves with full impact until 1972.

Meeting, Millbank Tower, S.W., October 21 at 11.45 a.m.

Pergamon Press AGM to-day

The annual general meeting of Pergamon Press is being held at Headington Hill Hall in Oxford this morning. In addition to normal business of the meeting, holders will be asked to approve an increase in borrowing powers, since the existing powers have been exceeded.

Mr. Robert Maxwell, the ex-Pergamon chairman, and still a major shareholder with 28 per cent. of the equity, has indicated that he will not stand for re-election to the Board. This decision was taken following publication of the Department of Trade and Industry report on ILSC and the interim report on Pergamon, in which Mr. Maxwell came in for criticism.

Mr. Maxwell will be at the meeting but he will travel back to London in time to be in the High Court by 2 p.m. At that time Mr. Justice Forbes is expected to give his summing up relating to Mr. Maxwell's request that the Court should halt the DTI inquiry into Pergamon until actions brought by Mr. Maxwell against the Department and its inspectors have been heard.

More progress for Varney

The outlook for residential development in the sphere in which Varney (Holdings) operates is better now than for some time, and further total group progress for the current year is forecast by chairman Mr. H. R. B. Hobdell in his annual statement.

He states that the London-based estate development and plant hire group—which also has major Scottish interests—has benefited from easier building society mortgages and an increased demand for houses within the group's price range, contributing towards an improvement on last year's estate development results.

Reorganisation of the loss-making plant hire subsidiary—referred to in Mr. Hobdell's statement last year—is now almost complete. The company has shown a profit of £33,701, of which £21,000 was contributed by a change in the basis of depreciation.

Industrial developments, which form a small part of the group's activities, have not done well and the situation is being closely watched.

As reported on August 23, pre-tax profit in the year to April 30, 1971, advanced from £105,172 to £196,118, and the dividend is lifted from 9 per cent. to 10 per cent. Turnover and pre-tax profit of activities were: residential estate development £2,726,164 and £171,136, plant hire £1,128,417 and £33,701, other activities £453,164 and £8,719, loss.

Meeting, Winchester House, EC, October 25, at noon.

ASSOC. BRITISH ENGINEERING

The directors of Associated British Engineering have decided not to pay the Preference dividend due on September 30, 1971, but hope it will be possible to resume some payment to Preference holders before the end of the company's present financial year ending March 31, 1972.

The dividend has been paid to March 31, 1968.

GREENSITT

Greensitt and Barratt is lifting its dividend total from 30 per cent. to 40 per cent., with a final of 30 per cent.—not 10 per cent. as shown in yesterday's report on the results. The rate was correctly given in the Dividends Announced table.

هكذا من الأحول

U.K. scientists to get £22m. nuclear research tool

BY DAVID FISHLOCK, SCIENCE EDITOR

GOVERNMENT APPROVAL is expected next month for the first stage of a £22m. project to provide British scientists with their most expensive research tool yet, said Prof. Sir Brian Flowers, chairman of the Science Research Council, at a Press conference in London yesterday.

The plan was to build a new nuclear reactor of 100 MW, specifically to generate neutron beams for research into the structure and dynamics of materials. That was currently one of the most rewarding areas of science, and one in which Britain was acquitting itself exceptionally well.

Prof. Sir Brian Flowers

To provide scientists with the facilities they would need before the end of the decade called for "a project of very considerable magnitude." The first step, for which approval was expected shortly, would be a £2m. design study by the U.K. Atomic Energy Authority, in enough detail to go out to tender on at least major items.

Sir Brian hoped the design study would begin in January, and would take 18 to 24 months. On that timescale the reactor could be commissioned in 1978-79. Some idea of the magnitude of the project could be gauged from the fact that during the years of peak spending, in the mid-1970s, it would be costing more than the SRC contribution to CERN's new "atom smasher"—as much as £5m.-£6m. a year.

Near limit

The reactor proposed, a high-flux beam reactor (HFBR) stretched thermal reactor technology near to its limit, at least for a steady state system. It would have a core of highly enriched (93 per cent.) uranium, moderated by heavy water, and so arranged that it could be tapped for several neutron beams simultaneously.

Earlier this year the SRC had declined an invitation to join a Franco-German project building a similar though much less versatile reactor at Grenoble. The "entrance fee" of several million pounds had been too high for the SRC also to pursue its own HFBR facility. However, it intended to make the HFBR complementary to Grenoble.

The reactor, which could develop into a European facility in the 1980s, would be built at the SRC's Rutherford Laboratory, near Harwell, and would ensure a future for this laboratory when its high-energy physics research was being run down. European collaboration in research was likely to be a major preoccupation of the SRC in the coming years, thought Sir Brian.

His Council, however, had turned down a proposal to participate in a European laser laboratory. Although convinced of the potential of laser physics, it was not persuaded to divert a substantial sum from British laser research into a big new European laboratory.

The SRC's annual report contains a stern warning that it will not, next year, have enough *money to carry out all* the research that can be justified on educational and scientific grounds. Gross expenditure last year was £51m., but it is likely that the university population will grow significantly faster than the Council's resources to support research and higher education.

Neutron beam research is one area where it proposes to increase support, others having priority include engineering, applied sciences, and selected areas of the biological and physical sciences. Enzymes, for example, now account for about 50 projects, totalling £1.15m.

August fire damage up to £13.3m.

Financial Times Reporter

FIRE DAMAGE in the U.K. totalled an estimated £13.3m. in August—thus equalling the May figure which had been the worst month of the year.

The British Insurance Association said the August total increased £4.8m. on July and compared with damage of £12.4m. in August, 1970.

The two largest fires last month were at a London warehouse and a Bradford wool mill—each estimated to have cost £750,000. Eight fires each caused damage of between £250,000 and £750,000 and another 10 more than £100,000.

Of the 28 large fires, 18 occurred in premises not protected by sprinklers, the BIA stated.

A Bradford fire brigade spokesman said a survey was being undertaken throughout the city to assess the extent to which buildings were protected against fire.

APPOINTMENTS

Mr. R. Atkinson joins Keyser Ullmann Board

Mr. Robert Atkinson has been appointed a director of KEYSER ULLMANN, merchant bankers. Mr. Atkinson resigned as managing director and from the Board of Universal Grinding at the end of August.

★

Mr. Roy Williams has been appointed a director of SHENLEY INVESTMENTS, the parent company of Property Growth Assurance.

★

Mr. P. D. N. Earle has been appointed chief executive and managing director of the COUNTRY GENTLEMEN'S ASSOCIATION. Mr. J. E. L Grey retires as joint managing director and continues as executive director in charge of trading. Mr. K. Raw and Mr. R. W. Denham have been made executive directors and Mr. J. P. Wilson is appointed assistant secretary.

The changes are from to-morrow.

★

Mr. R. Stewart has been appointed a joint managing director of CMG COMPUTER MANAGEMENT GROUP (SCOTLAND) with Mr. Tudor Francis.

★

Mr. R. A. Bargate and Mr. A. B. Pannell, have retired from the Board of METAL CENTRES. They continue as part-time consultants to the company's fastenings division and non-ferrous division respectively.

★

LIND PILING has been formed to carry out the bored piling work previously undertaken by the drilled foundations department of Peter Lind and Co. The directors are Mr. T. M. Jaeger, Mr. F. E. Prior and Mr. D. J. Palmer. The secretary is Mr. C. J. Fowle.

★

Mr. J. E. Hoar, previously technical director of E. D. WARBURTON AND CO., has been appointed managing director and Mr. G. Walters has joined the Board as chairman.

Mr. E. D. Warburton, the former chairman and managing director and father-in-law of Mr. Walters, died on September 10.

★

On the formation of the PROCESS PLANT ASSOCIATION to-morrow by the amalgamation of the Tank and Industrial Plant Association, the British Chemical Plant Manufacturers Association and the Food Machinery Association, Mr. A. Robert Jenkins, chairman of Robert Jenkins Group, will become the association's chairman and Mr. John Laithwaite, managing director of the Capper Neill Group, vice-chairman.

Commander John Hamer has been appointed director with Dr. E. H. T. Hoblyn as advisory director and Mr. H. E. Bonsall as secretary. The commercial director will be Mr. J. L. Good and the technical director Mr. R. Hobbs.

★

Mr. D. F. Dunstan has been appointed deputy chairman of C. R. DRIVER UNDERWRITING AGENCIES and a director of C. R. Driver and Co., following his resignation from the Board of the Victory Insurance Company.

★

Ames Crosta Mills and Co., a Woodall-Duckham Group subsidiary, has appointed two of its directors to the Board of recently-acquired UNITED FILTERS AND ENGINEERING. They are Mr. D. F. Needham, who becomes general manager, and Mr. S. G. Pillar, secretary.

Mr. Robert Atkinson

★

Mr. C. M. L. Paine has been appointed a director of GLANVILL ENTHOVEN (LIFE, PENSIONS AND MORTGAGES) and Mr. J. Fisher a director of Glanvill Enthoven Brooking from to-morrow. Mr. M. A. Gayler and Mr. P. J. P. Angelini-Hurll have been made special directors of Glanvill Enthoven (Marine) from the same date. Glanvill Enthoven is a member of Charterhouse Finance Corporation.

★

Mr. J. Battersby has been appointed chief executive of the STANDARD AND CHARTERED BANKING GROUP's new international division. The new division, which comes into operation from the close of business to-morrow, will combine the activities of the international divisions of the Standard Bank and the Chartered Bank.

Mr. G. K. Clarke and Mr. P. A. G. Harris have been appointed senior executives international and Mr. A. L. Yarnell becomes group representative international banking.

★

R & H GREEN AND SILLEY WEIR, a member of the P & O general holdings division, has appointed Mr. H. T. Beazley, Mr. D. W. McKay and Mr. B. G. Johnson to the Board.

They replace Mr. C. A. W. Dawes, who is retiring because of his commitments as deputy chairman of the P & O Group, and Mr. D. J. Snoxhill, who has been made financial controller of the general holdings division.

Mr. Johnson has also been appointed financial director of the R. and H. Green and Silley Weir subsidiaries in London and Falmouth and resigns as secretary of the company. He is succeeded by Mr. R. A. Pelham.

★

Mr. Quinton Hazell, chairman and managing director of Quinton Hazell (Holdings), has been appointed chairman of the WEST MIDLANDS ECONOMIC PLANNING COUNCIL from to-morrow.

Mr. R. P. S. Bache, chairman and managing director of George Salter and Co., who has been acting as chairman, will continue as a member of the council.

★

Mr. J. A. Lauder has been appointed to the Board of the GLACIER METAL COMPANY, part of the Associated Engineering group. He is general manager of Glacier's Kilmarnock factory.

★

From November 1 Mr. J. W. Johnson will retire as chairman of YOUNG AUSTEN AND YOUNG and will become president of the group and a non-executive director in an honorary and consultative capacity.

Mr. H. W. Candy will take over the chairmanship and will continue as joint managing director. Mr. F. Hubbard, the other joint managing director, will combine this office with that of deputy chairman.

★

Mr. A. D. O'Neill and Mr. C. Grimwood have been appointed directors of BULLENS LONDON, a Giltspur company.

★

Mr. Christopher C. Goldsmith has been appointed a director of PROFESSIONAL MANAGEMENT GROUP.

★

Mr. Peter Barr has joined FINE FARE as director of produce. He was previously with Glass Glover and Co.

★

Mr. W. W. Fea has joined the Board of GEO. SALTER AND CO. as a non-executive director.

★

Mr. R. Tyrer, chief financial executive of ALLIED ENGLISH POTTERIES, has been appointed to the Board.

★

Mr. D. C. Keys has been appointed an assistant director of MORGAN GRENFELL AND CO. from to-morrow. He was formerly assistant to the chief cashier and working in the Discount Office at the Bank of England. Mr. W. P. Higman has become a director of Morgan Grenfell (Overseas).

★

Mr. Jeremy Pemberton has retired as a director and a managing director of BARING BROTHERS AND CO.

★

Mr. Henry Wigfall has consented to become president of the WIGFALL GROUP. Mr. A. Diskin and Mr. R. Wigfall Morrell have been appointed to the Board of Henry Wigfall and Son.

★

Mr. J. M. Cameron will become managing director of J. W. CAMERON AND CO. from to-morrow on the retirement of Mr. J. W. Cameron, who remains executive chairman.

★

Mr. D. F. S. Brightman has been appointed joint deputy underwriter in the Marine Department of the LOMBARD INSURANCE COMPANY from January 1. He is at present assistant underwriter of the London Assurance.

★

Mr. R. P. Roberts has been re-appointed for a second term as chairman of the CENTRAL TRANSPORT CONSULTATIVE COMMITTEE FOR GREAT BRITAIN. He became chairman in 1968.

The following have been appointed members of the committee: Sir Robert Black, a former governor of Singapore and Hong Kong and a member of the Board of the British Tourist Authority; Mrs. Doris Moss, chief regional organiser of the Women's Royal Voluntary Service; Mr. A. W. Allen, general secretary of the Union of Shop, Distributive and Allied Workers and a member of the National Economic Development Council; Miss M. V. Howey, Mrs. P. M. Jeffcoate and Mr. T. J. Cowen, the last three having been members of the committee since 1968.

The above, together with the area committee chairmen, will constitute the consultative committee until July 31, 1974.

★

Mr. R. J. Blanch, who retired recently as an assistant chief general manager of LLOYDS BANK, has been appointed a regional director on the Bank's South-East regional board.

★

NAIRN AND WILLIAMSON (HOLDINGS) has appointed Mr. C. S. M. Scott chief executive at Lancaster from December 6. At his own request Mr. W. Wolfendale will give up his executive duties at Lancaster but will remain a director of Nairn and Williamson (Holdings).

★

Mr. Richard Howling, previously with Carreras as group commercial accountant, has joined the Diploma Group and has been appointed to the Board of the quoted subsidiary, REDNOR.

★

Mr. D. C. F. Pearson, a director of Robert Fleming and Co., has been appointed a non-executive director of AUSTIN REED GROUP.

Mr. G. J. Tubb, group secretary, and Mr. D. M. Anderson, financial controller, have been elected to the Board of Austin Reed Limited. Mr. S. Leader Cramer, chairman and managing director of Honorbilt, has also been elected to the Board of Austin Reed Manufacturing.

★

Mr. P. R. Royston has resigned as a director of LEX SERVICE GROUP to concentrate on other business activities.

★

Mr. N. G. Stares has been appointed a director of GEORGE CLARKE (MOTORS).

★

The following appointments have been made within the group of DAVENPORTS' C.B. & BREWERY (HOLDINGS) from to-morrow: Mr. Leslie C. Booth becomes a director of John Davenport and Sons Brewery, and Mr. Graham R. Oakley a director of Davenports' C.B. Limited. As from November 1, Mr. Neville W. A. Frost will also be a director of Davenports' C.B. Limited.

★

Mr. S. L. M. Barlow has been appointed to the Board of ABERDARE HOLDINGS. He is a former vice-president of the Institution of Electrical Engineers and is currently a director of the overseas subsidiaries of the Aberdare group.

BIDS AND DEALS—(Contd.)

Tarmac bids £4m. for Limmer

Tarmac has come out with a unilateral bid for Limmer Holdings worth some £4m. having failed to reach agreement on terms during discussions over the last few weeks. Worth around 32p a share, the terms have a value close to yesterday's closing price of 31½p, which was off 1p on the day.

Although there was no immediate reaction from the Limmer Board, it is certain that it will waste no time in rejecting the bid. It appears that one of the main Limmer arguments against the price will be that 32p is close to what the shares were standing at before bid talks were announced earlier this month and that no premium over the recent investment value is therefore being offered.

One of the largest single shareholders in Limmer is the Fitzpatrick family with some 11 per cent. of the equity. Last night, Mr. Pat Fitzpatrick, although guarded in comments, said that his first impression was that the offer "seems a bit tight."

On the Tarmac side, it is felt that the terms are fair in view of the fact that while there are profitable road surfacing activities in Limmer, there would also be the loss-making civil engineering side which would have to be pulled round.

Terms of the offer are two Ordinary 50p shares in Tarmac for every 15 in Limmer. Tarmac's shares eased 1½p to 238½p yesterday, which was before the bid was announced.

In his statement, Tarmac said that it is convinced that shareholders of Limmer would gain substantially from a merger and that "significant rationalisation benefits would be achieved."

Robert Fleming is to send out offer documents on behalf of Tarmac as soon as practicable. Limmer is being advised by Lazards.

● comment

Reality had caught up with Limmer, at 31½p before last night's announcement of the breakdown of Tarmac's bid talks, and the latter's subsequent equity offer of just 32p. News of a possible bid sent Limmer zipping up to 39p a fortnight ago, against 17½p a few days earlier. But with continuing doubts about current year profitability the onus is more on the Limmer Board, with a negligible equity interest, to explain its opposition than on Tarmac to justify its apparent parsimony in a £4.1m. bid.

JOHN MARTIN

Their offer by Lewis and Peat for Ordinary shares in John Martin of London has been accepted in respect of 3,776,514 shares (94.59 per cent. of these for which it was made). A total 7,500 shares of Martin were held by a subsidiary of Lewis and Peat before the offer.

The offer has become unconditional subject to quotation grant, not later than October 20, for the 8 per cent. Loan Stock 1979-81 to be issued to the offer which remains open.

The cash offer made by S. G. Warburg has been accepted in respect of 1,591,523 shares of J. Martin and has now closed.

FNFC PROPERTY PURCHASE

First National Finance Corporation has acquired the freehold of Tarranbrae, Willesden Lane, N.W.6, which comprises a block of 70 self-contained flats on a two-acre site.

This property was submitted to tender by the Church Commissioners and it is understood the price paid by First National was well in excess of £350,000, though only £500 higher than the next nearest tender.

CRYSTALATE ACQUISITION

Crystalate (Holdings) has acquired 66⅔ per cent. of the capital of Best and Raynor, distributors of electrical and electronics component parts, for £30,000—£20,000 cash and 73,058 Ordinary shares of 5p.

Based on audited accounts to December 31, 1970, net assets attributable to the interest being acquired amounted to £38,279. Profit before tax was £16,646 and profit after tax £8,860. Based on management accounts, the company incurred a trading loss of approximately £10,500 in the eight months to August 31, 1971, but the trading situation is now improving. Vendors have warranted net assets attributable to the acquisition are at least £30,000 at August 31, 1971.

It is intended the company should move to Crystalate's head office at Redhill and change its name to Peter Bowthorpe, Raynor and Associates.

HEMDALE PURCHASE

Hemdale Group has acquired from London Screen Enterprises 90 per cent. of the capital of London Screen Distributors. Initial purchase price is £24,500—in addition there is a deferred consideration not exceeding £22,500 dependent on the level of certain film earnings.

London Screen Distributors will change its name to Hemdale Film Distributors and will be responsible for the U.K. film distribution of films owned by the company and Hemdale, and for U.K. distribution of Hemdale's future productions.

It brings to Hemdale distribution rights in over 350 completed films which in its opinion could have "significant" value for re-release.

The remaining 10 per cent. of London Screen Distributors is owned by John Hogarth, managing director of LSD.

QUINTON HAZELL

With a view to extending its wholesale interests in the motor parts industry in Scotland Quinton Hazell (Holdings) has made an offer for Alexander Cheyne of Aberdeen of £3 a share cum all rights and dividends on the basis of gaining at least 60 per cent. of the equity.

CARRINGTON VIYELLA

At yesterday's extraordinary meeting shareholders of Carrington Viyella approved the provisions of an agreement between the company and Imperial Chemical Industries for the sale of substantially all the U.K. yarn texturising interests of Carrington Viyella, comprising its wholly-owned subsidiaries Aycliffe Textiles, William Tatton and Co., and Cheslene and Crepes.

KUKICHERRA TEA SUSPENDED

Permission to deal in and quotation of Kukicherra Tea Ordinary and Preference has been temporarily suspended pending reorganisation particulars.

WILLIAMS & HUMBERT

The directors of Williams and Humbert Group announce that an approach has been made which may lead to an offer for the capital. At this stage it is not known if the discussions will result in an offer and a further announcement will be made as soon as possible.

ASSOCIATES DEALS

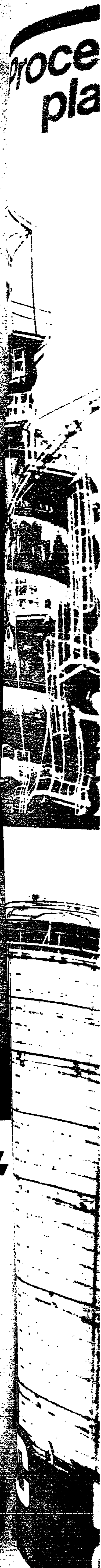
N. M. Rothschild announces that R. G. Shaw and Sons on Tuesday purchased 225,000 Seafield at 61p and Kempas (Malaya) purchased 36,687 at the same price. Both companies are associates of Sime Darby.

Joseph Seabag purchased for associates of Slater Walker Securities 10,000 S.W.S. at 303p.

Read Hurst-Brown bought on behalf of an associate of Amalgamated Investment and Property 2,500 Amalgamated at 377p and 5,000 at 379p.

DEMODERA TEA

Larkfold Holdings is extending its offer to acquire the Ordinary capital of Demodera Tea Company until 3 p.m. on October 13, 86.26 per cent. of valid acceptances having been received. The offer for the Preferred has lapsed and a further circular will be issued to Preferred holders.



William Stuart: "The Midland handle our business so efficiently, we're hardly aware of having a bank at all."

William Stuart is Chairman of Stuart and Sons Ltd. in Stourbridge. For over 150 years, they've been makers of world-famous Stuart Crystal. And for most of that time, they've been with the Midland Bank.

About 50% of their output is sold overseas, and as Mr. Stuart says "The Midland have helped enormously with the many difficulties that exporting can create."

The Midland have helped with other problems too. "There is never the slightest difficulty in approaching them" says Mr. Stuart, "and their help is always friendly and constructive. We've been a good customer. But then, they are certainly a good bank."

The people from the Bank who have worked with Mr. Stuart, we show below. It's the sort of team we can offer to anyone.

Your nearest Midland manager will be delighted to talk over any problems *you* may have, without obligation, of course.

Almost certainly, the Midland can help.

Midland Bank
A Great British Bank

Joseph F. Stott, Regional Director. Leader of the Midland's team in the Birmingham and West Midlands Region.

Eric B. Hetherington, Manager, Overseas Branch, Birmingham. Key man for companies like Stuart Crystal who are involved in the export market.

George E. Bebbington, Manager, Mr. Stuart's initial contact on all important banking matters; liaises with various departments of the Bank.

Peter Griffin, Foreign Clerk. Handles foreign business for the branch, including the substantial bill work associated with Stuart Crystal's export operations.

Linda Weston, Statements. Responsible for book-keeping operations. and looks after all requests concerning balances of accounts.

Anne Hickman, Cashier. Deals with Mr. Stuart's own and the Company's cash transactions at the local sub-office.

Consumer audit clears decimals

BY KELSEY van MUSSCHENBROEK

THERE IS no real evidence of decimalisation being used as an excuse for indiscriminate price increases in the grocery field, according to a study published yesterday by the Television Consumer Audit.

The trend of price increases was well established before D-day, but decimalisation may have had something to do with the timing of certain increases. Some brands went up significantly in price before D-day, and not afterwards; others held their prices before decimalisation, only to increase rapidly afterwards, says TCA.

Only 23 out of 71 nationally-branded goods went up in price faster in the first three months of 1971 than in the last quarter of 1970. The parallel figure for "private label" brands was seven out of 24.

To see whether there might have been a "delayed effect" on prices after D-day, the TCA monitored prices until the week ending May 8, 1971. From that it appeared that post D-day price increases featured most prominently in packaged foods.

Overall, manufacturers' brands in 11 out of 25 markets increased more rapidly in price after D-day than before. However, those brands which went up in price before decimalisation did not, by and large, increase after February 14, 1971.

Britain's top ten beat U.S. in the profits league

TOP BRITISH businesses have moved ahead of their U.S. rivals in the profit stakes, according to the October issue of Management To-day.

Average profitability of the 200 companies surveyed went up from 8.7 per cent. to 9.6 per cent. "in a difficult, inflation-bedevilled year," while Fortune magazine's 500 largest American companies managed 9.5 per cent.

The U.S. return has been about three points higher than the British ever since the magazine started publishing its tables. This time British companies have closed the gap not because they have done much better, but because the Americans have done much worse, down from 11.3 per cent. in 1969.

"The point has to be made again that the bottom of this league contains heavyweights whose position should be as huge a disappointment to their managers as it is to their shareholders," the journal says.

"For a company like Reed International, after an orgy of takeovers, to return 4.3 per cent. net (or less than a building society offers, trouble-free) is no advertisement for dynamism."

The British top ten, with net percentage returns on invested capital, are:

A. Kershaw, 68.7; BSR, 24.4; Marks and Spencer, 24.2; European Ferries, 21.7; Grattan Warehouses, 19.6; Robinson Rentals, 19.2; Empire Stores, 18.6; Rentokil, 18.6; Beecham, 18.1; and Tesco, 18.0.

The journal comments that Kershaw's "amazing" return is partly an accountancy freak, with a 70-week year, but adds that its great profitability springs from the "very real returns" of Rank Xerox.

Picket in Fine Tubes clash fined £50

BEHAVIOUR by some of the police involved in a clash with 250 pickets outside the strike-hit Fine Tubes factory was "disgusting," a shop steward told a court at Plymouth yesterday.

The allegation was made when Walter Cooper, aged 35, fitter, was fined £50 for wilfully damaging a coach belonging to the company. Coper, of Windsor Street, Coventry, who pleaded not guilty was also ordered to pay £35 compensation with £17.40 costs.

A Government court of inquiry into the 15-month-old strike over union recognition will begin in London next Wednesday.

Higher ICA subscription proposed

By Michael Blanden

AN IMPORTANT meeting takes place to-day at which members of the Institute of Chartered Accountants in England and Wales are to be asked to approve a further 10 per cent. rise in their subscriptions, to take effect from the beginning of next year.

The request, which needs two-thirds of the votes to be approved, has aroused some concern among the members of Britain's biggest accounting institute. It follows an increase of 40 per cent. last year, and comes at a time when the whole question of subscription differentials among different classes of member is under consideration by a special committee of the Institute.

The increase is nevertheless felt to be of considerable importance if the Institute is to continue to expand its essential research activities and to fulfil the ambitious programme which it has set itself for the reform of accounting standards.

The programme on this front has been accelerated, and has already produced major pronouncements on the principles of accounting for public companies.

In his letter to members, the Institute's president, Mr. Arthur Walton, explained that substantial economies had already been made to the tune of over £40,000 in the current year.

In spite of that, the Institute's inability to let the upper two floors of its new building in the City has left it "in the red," with a deficit estimated at £24,000 for 1971. Next year, the deficit could rise to £30,000, although the Institute is now hopeful of letting the space available at the Chartered Accountants' Hall.

This, and the £84,000 which would be yielded by the proposed subscription increase, would give the Institute the prospect of achieving a modest surplus for the first time in four years.

Its success in maintaining its research effort is of interest to a far wider public than merely its own members, since the Institute has taken on the main burden of tightening up accounting standards.

Companies urged to set up pension schemes now

FINANCIAL TIMES REPORTER

COMPANIES WERE urged yesterday not to delay setting up pension schemes under the Government's new "two pension" plans.

The recent White Paper had taken away uncertainty about the future of company occupational schemes, Mr. Paul Dean, Parliamentary Under Secretary for Social Security, told a London conference of the National Association of Pension Funds. The Government had been "most encouraged" by reaction to the plan.

The proposals are due to operate from April, 1975, and envisage a basic pension with either a company pension or a pension from the new "State reserve fund." Mr. Dean said a consultative document would be available within the next few weeks to stimulate wide discussion.

Transferability

Referring to occupational schemes, Mr. Dean confidently expected to see arrangements for transferability on an increasing scale.

The preservation proposals, which woud affect all schemes whether or not they became recognised, were designed to ensure that the early leaver who had five years pensionable service and had reached the age of 26 would be able to get a preserved pension for the whole of his pensionable service. Service before as well as after April, 1975, would count.

If the early leaver had five or more years pensionable service after 1975 his scheme would have to maintain his pension cover for those years, and consequently would not be able to offer him a refund of contributions paid since 1975.

In the same way that an employer would not be allowed to withhold pension rights, neither could the member be permitted to abandon them.

Pointing out that general reviews of all public service pensions were now taking place, the Minister said that one important aspect being discussed was preservation.

It was hoped to provide preserved pensions in the Civil Service and NHS schemes well in advance of 1975 for those who left with the necessary qualifying service.

Challenge to Labour marketeers

LEADING COMPANIES who have contributed to the pro-Common Market Labour Committee for Europe have also given substantial sums to the Conservative Party and other anti-Labour organisations, Mr. Clive Jenkins, general secretary of the Association of Scientific, Technical and Managerial Staffs claimed yesterday.

Mr. Jenkins, a confirmed anti-Marketeer, challenged the Labour Committee for Europe to produce its accounts by Monday, when the Labour Party conference opens, and British membership of the Market will be debated.

Mr. Jenkins said that he proposed to write to 50 firms in which his union is a shareholder, asking how much money they have given to the European movement above their standard affiliation fee if they are subscribers.

His claims about the finances of the Labour Committee for Europe are set out in a pamphlet which he has sent to every Labour Party in Britain, every constituency delegate to the Labour Party conference, every Labour MP and every trade union.

Mr. Jenkins maintains that half the money the Labour Committee for Europe has at its disposal comes from 102 large companies subscribing to the European Movement, which itself will spend £250,000 on pro-market propaganda this year.

These same companies gave over £156,000 to the Conservative Party and other anti-Labour organisations last year, he claims.

The pamphlet also asserts that, if Britain joins the Market, the British Labour Party would be in danger of being confined to long-term opposition on all but the most parochial of issues. Electing a Labour Government in Britain would have only the significance of a county council election.

Meanwhile, in Birmingham, a "talk to us or get out" challenge was issued to two pro-Common Market Labour MPs by trade unionists.

Mr. Don Groves, regional official of the ASTMS, said: "There has been a lack of debate in Birmingham. We have been saddled with Mr. Roy Jenkins (Sparkbrook) and Mr. Roy Hattersley (Stechford) as MPs. Our challeuge is to meet them in debate at any time, any place, and they can try to convince us that their line on the Common Market is right. If they can't, we should expect them to represent their constituencies properly or resign."

Mr. Brian Mathers, regional official for the Transport and General Workers' Union, said Midland region offices of many trade unions were backing a five-point petition giving their reasons why they are against the Common Market. They intend to raise as many signatures from shop floors as possible, and then give them to Birmingham MPs.

Union asked to back iron workers' strike

THE General and Municipal Workers Union is being asked to give official backing to the strike by 900 iron workers at Stanton and Staveley, near Ilkeston, Derbyshire.

The men, who walked out eight days ago over a pay claim, decided overwhelmingly at a mass meeting yesterday to stay out until the week-end. They heard that informal talks were taking place between their union's national officer for steel, Mr. Frank Cottam, and officials of the British Steel Corporation to which Stanton and Staveley belongs.

The men have demanded £3.25 a week increase which they claim is negotiable, but they want a much better offer than the £1.25 made last week by the management. Local GMWU officials hope that a peace formula will emerge from the informal talks in time to put to the men at their next mass meeting on Saturday. The jobs of a further 250 workers have been affected by the dispute but so far none has been laid off.

About 1,000 tons of spun iron-pipe are being lost daily and a spokesman for the management said this was having a serious effect on important orders at home and overseas.

Port one-day strikes 'guerilla warfare'

ONE-DAY port strikes at Grimsby and Immingham were described as "guerilla warfare" yesterday by Mr. John Peyton, Minister for Transport Industries.

The two ports are in the grip of their thirteenth one-day strike, with 12 ships idle and 613 men out.

The ports, said Mr. Peyton, were throwing away major opportunities for the future in a suicidal fashion.

He added he had suggested that the trawler owners should ask the Docks Board to make a 10-year assessment of facilities for the industry on both banks of the Humber. The Humberside ports were ideally placed for trade links with the Continent if Britain joined the Common Market.

Car welders on strike for upgrading

SKILLED WELDERS at the Austin Morris car body plant at Cowley, Oxford, are on unofficial strike following the company's refusal to upgrade them.

The 33 men say they are the only indentured craftsmen not in the top skilled grade, and as a result get 3p an hour less.

They contend the company agreed to clear up their pay anomaly before the September pay review but has not done so. They claim to have taken their grievance through the dispute procedure.

A management spokesman said the welders' stoppage, which began on Tuesday, has not yet affected production.

JOBLESS ABOUT TO DROP—EDEN

The breakthrough point has now been reached in unemployment, Industry Minister Sir John Eden said yesterday at Cannock, Staffs.

There would be a vast improvement in the unemployment figures during the coming year, said Sir John after inspecting Europe's steepest coalface at Littleton Colliery, near Cannock.

He felt business would soon start to improve. An upturn in order books being felt in certain trades would spread to other sections of the economy.

FURNITURE MEN NOT TO REGISTER

The Furniture and Timber Allied Trades Union yesterday told the new Registrar of Trade Unions that it wanted to be removed from the register under the Industrial Relations Act.

Scots TUC fails to move Davies

Financial Times Reporter

A FIVE-MAN delegation of Scottish TUC leaders yesterday saw Mr. John Davies, Secretary for Employment, in London to discuss Scotland's unemployment problems.

Mr. Davies promised to put the TUC's suggestions before the Cabinet, but members of the delegation afterwards made clear their disappointment at the Minister's reaction to their anxieties.

Mr. James Jack, STUC general secretary, said: "It was the most strained meeting we have had. It will be the last of the more polite meetings."

Mr. Ray McDonald, STUC president, said: "There were the usual platitudes and nothing definite."

Mr. Jack suggested that unions, employers, councils, churches, and all other interested bodies, should join in a demonstration and demand to see Mr. Davies collectively.

"We want to make it clear to the Government that nothing it is doing is likely to bring unemployment in Scotland to anything like a reasonable level," he added.

The Minister was pressed to make an early decision on the suggestion for an iron ore terminal and deepwater port at Hunterston, Ayrshire. On this, Mr. Davies said he was still awaiting the British Steel Corporation's report, which he expected about the end of the year.

Guy Motors puts 560 on 3-day week

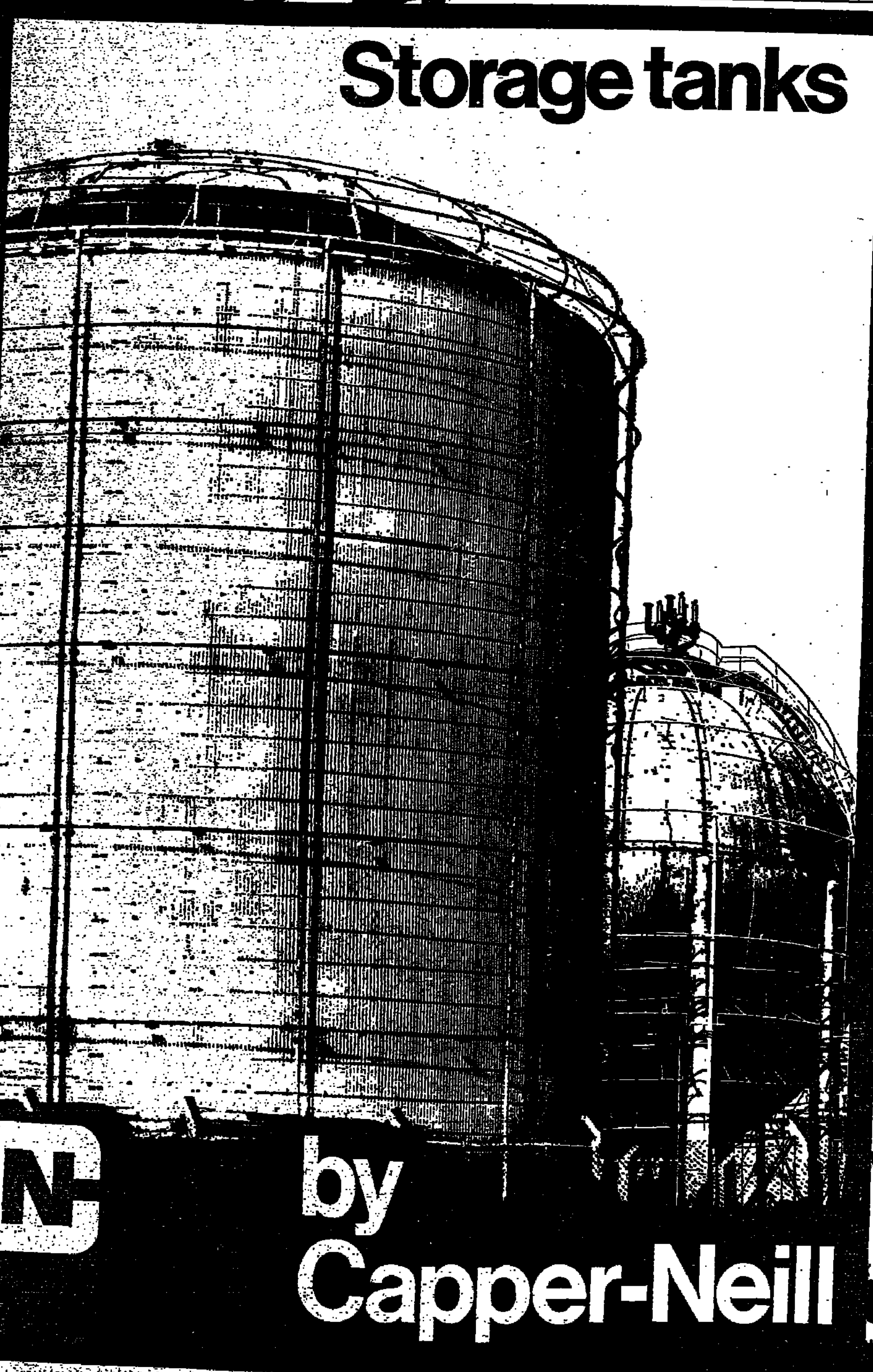
GUY MOTORS of Wolverhampton yesterday put 560 men—more than half its total labour force, on a three-day working week. There seems little hope of any improvement until Christmas.

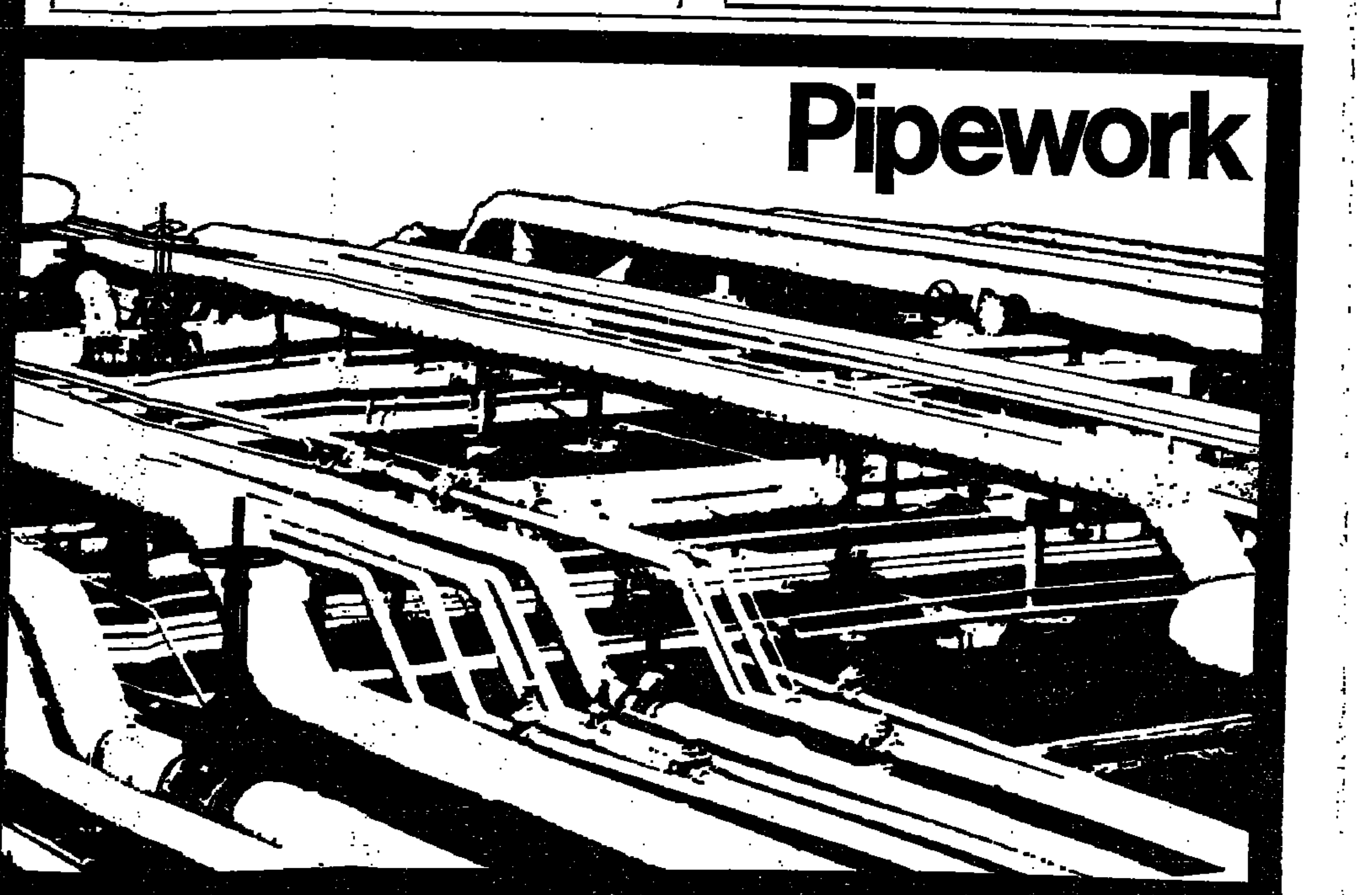
The company is part of the British Leyland truck and bus division. A spokesman said: "This action has been taken as a result of the general down-turn in business which is currently affecting the whole commercial vehicle industry."

This announcement follows a decision by Vauxhall Motors on Tuesday to reduce its labour force at Luton and Dunstable by 350 through voluntary early retirements—also because of the depressed state of the commercial vehicle market.

CLERKS WALK OUT

One hundred and fifty clerical workers walked out yesterday at the Eaton Corporation industrial truck and hoist division, Wednesfield, near Wolverhampton, Staffs., in support of a pay claim for increases of about £3 a week. Production at the factory was not affected.





FINANCIAL & ACCOUNTANCY APPOINTMENTS

FINANCIAL AND ACCOUNTANCY APPOINTMENTS ALSO APPEAR TODAY ON PAGE 16

"Science honeymoon is over"

THE HAGUE, Sept. 29

Mr. WEDGWOOD BENN, speaking at a conference here to-day on Company Survival in the Science-based Industries, sponsored by Management Centre Europe and the Financial Times, said the title of the conference indicated the world-wide anxiety felt by scientists and technologists at the obvious fact that their long honeymoon with Governments and the people was over.

"Whether we look at the science squeeze in the U.S., the environmental counter-attack, the revolt of the younger generation world-wide or the Cultural Revolution in China, the message is the same.

"Science—and those who practise it in industry or education—is being forced to justify itself by the simple test of whether or not it appears to be serving human needs and aspirations—which are themselves changing even more rapidly than the explosion of technological changes that characterise our period of history."

The growth of multi-national corporations, most of them science-based, was so rapid that they constituted a major political challenge to established Governments.

"It is clear that the changes taking place have already had the effect of outdating many—if not most—of our institutions—political, legal, educational, managerial and trade union—which we inherited from the past," declared Mr. Benn.

Mr. Benn forecast as the issues most likely to emerge in the future:

First, the control of the political power created by science and technology, whatever form it takes;

Secondly, the reorganisation of education to give greater attention to the average in place of the undue past attention given to the best: mixing theory with practice; and challenging the private ownership of knowledge;

Thirdly, the development of stricter criteria to measure the extent to which science and technology serve the community.

Vehicle and General Tribunal of Inquiry

Executive tells of computer problems

MR. JOHN MEDANY, assistant general manager of the Vehicle and General Insurance group, which crashed in March, told the tribunal inquiring into the collapse yesterday that when he drew his management's attention to deficiencies in the company's record systems he was treated as a "Jonah" and assured that everything would be all right.

In earlier evidence, he had described the administration of the company as being in "a shambles."

Cross-examined by Sir Elwyn Jones, QC for shareholders and policy-holders of V & G, about his fears that the estimating of the cost of claims within the company and the general system of records were not to be trusted, Mr. Medany said he told Mr. Anthony Hunt, former managing director of V & G, and his general manager, Mr. Rex Barberis, about his suspicions.

"I discussed things with them because I knew something had to be done, but I was not certain what," he said. "I am afraid I was being treated as a 'Jonah' by Mr. Barberis, who said things were going to be all right."

New system

Mr. Medany said that at this time, around 1969, the computer department of V & G was working on a new system, but, since the people introducing the new system were the people who had run things before when the situation was unsatisfactory, "I did not have very much faith in it."

Further questioned by Sir Elwyn, Mr. Medany said of his discussions with his management: "It was a cry for help, and I did not get any at first."

Mr. Medany said that, subsequently, an Australian data-processing system expert was called in, and confirmed that the record-keeping system at V & G "was as bad as I said it was."

Dealing with his report that at the end of 1967 the company had up to 25,000 claims on its books for which no estimate of final cost had been made, Mr. Medany said he did not know who was responsible for putting aside an "arbitrary" sum of £50,000 to cover these claims. He agreed with Sir Elwyn that they could have left the company liable to a bill for £1m.

Sir Elwyn: "Was that known to the directors?"

Mr. Medany: "I think so. It must have become known that the figures were untrustworthy."

Dealing with the company's computer problems, Mr. Medany said the V & G clerks and negotiators "were defeated by the system, which defied all logic."

Mr. Medany said: "The situation got better from my appointment in March, 1968, but it took a long time.

"We would have dearly loved to have stopped work for six months, and gone and checked the records, but we didn't have the time. Business was pouring in all the time. Inaccuracies were caused by inaccuracies on the computer records."

Sir Elwyn asked: "Did the directors tell you of the inquiries and questions coming to V & G from the Board of Trade?" Mr. Medany said he knew that some questions were being asked in the autumn of last year.

Sir Elwyn: "Did you know that the Department had expressed some anxiety that the company was not adequately providing for outstanding liabilities?"

Mr. Medany replied that he had no definite knowledge of this, and added: "V & G was subject to rumour anyway."

The tribunals chairman, Mr Justice James, told Mr. Medany that he was interested not in the causes for things going wrong—"if things did go wrong"—but in whether this was apparent.

He asked: "In July, 1967, if anyone had inquired into the figures being produced by the company to the Board of Trade in respect of reserves for outstanding claims, would it have been apparent if the figures had been based on unreliable material?"

Mr. Medany: "I think it would not have been apparent."

'Hindsight'

The chairman then asked in relation to July, 1968: "Would it have been apparent to anyone making an investigation that there was a 'shambles'?"

Mr. Medany said he did not think it would have been discovered without very detailed investigation and without the benefit of hindsight.

Mr. Justice James asked whether it would have been apparent to anyone inquiring in July, 1969, into figures produced by the company to the Board of Trade that there was a general state of "shambles," that had existed for some time?

Mr. Medany replied: "At least, by that time the claims system had been got under control." He did not think it would have been apparent that the figures produced for outstanding claims were based on unreliable material.

The tribunal adjourned until Monday.

Shake-up in National Freight

THE National Freight Corporation yesterday announced broad proposals for a major reorganisation of its two big parcels companies—National Carriers and BRS Parcels.

Under the scheme, announced by the NFC chairman, Mr. Dan Pettit, National Carriers would be given the role of national distributor of parcels and small freight with a wide network of services, while BRS Parcels would concentrate on high-speed services over dense routes.

The Corporation is to hold talks with managements and union representatives of the two companies' 34,500 staff to outline the detailed proposals. Although there will be no merger as such—one of the possibilities of rationalisation—there will be a considerable reorganisation which is likely to result in some redundancies.

Mr. Pettit said the aim was to build on the individual strength of the two main companies and, by associating these with new marketing opportunities for company specialisation, to eliminate the frustrations of competitive overlap and to minimise the degree of human inconvenience and hardship.

It seems that BRS Parcels, with its subsidiaries James Express Carriers, N. Francis and Co. and William Cooper and Sons (Carriers) will be most affected by the shake-up.

They are to provide high-speed services "selected on an individual location basis . . . providing a uniquely special sort of service, tailor-made to customers' needs."

National Carriers, with 24,000 staff and a fleet of 8,400 vehicles, will provide a service geared to reliability and regularity over a national network rather than high speeds, Mr. Pettit stated.

The companies of BBC (Specialised Services) are to continue to concentrate on localised distribution.

Mechanical handling plant sales drop

Financial Times Reporter

HOME MARKET sales of mechanical handling plant dropped dramatically in the first three months of 1971 compared with October-December, 1970, according to the Department of Trade and Industry.

At £20.08m., deliveries were 11 per cent. down on the previous quarter, even though there was an 8 per cent. advance on the figure for the corresponding period of 1970.

Exports also fell compared with the previous three months at £5.56m. (£5.92m.). However, that was 47 per cent. better than January-March, 1970.

At the end of March, home orders on hand amounted to £63.82m.—7 per cent. higher than at the end of 1970 and the highest figure for at least two years. Export orders on hand were worth £13.11m., again better than on December 31

BOOKS

Value judgments

BY E. VICTOR MORGAN

Money, Trade and International Relations by Lord Robbins. Macmillan. £4.50. 282 pages

Only the first of these 11 essays *is new, and this is a general re*view of the ground covered in the remaining ten. These extend over some 25 years from the late Thirties to the early Sixties, though most of them were written *in the decade after the war. In* some ways this reduces the effectiveness of Lord Robbins' arguments, especially for younger readers; it is doubtful whether anyone under forty would find it helpful to discuss fixed exchange rates in the context of the post-war dollar shortage or the relationship between unemployment and inflation in the context of the Beveridge slogan, "more *vacant jobs than unemployed* men."

The disadvantage is more than made up by the intrinsic merits of the essays themselves. They are an impressive demonstration both of the generality of economic theory and of the consistency and wisdom of their author. He has never hesitated to take an unpopular line, as appears many times in these essays, and the views that were unfashionable when he put them have usually found increasing support as time went on. For example, he was exposing the dangers of "over-full" employment in the late Forties and the limi*tations of fiscal policy for stabil*isation in the early Fifties, and he was one of the first and most cogent critics of the concept of "general liquidity" as set out in the Radcliffe Report.

The exchange rate question is probably the only major issue on which current economic thought appears to be moving away from rather than towards Lord Robbins, and even here he presents a strong case with great moderation. He accepts that rates may have to be changed from time to time and agrees that, at such times, a period of "floating" may help to determine the best rate for the future, but he rejects complete freedom. His reasons are not the additional risk to traders (which can be offset by forward dealing) or the dangers of speculation (which are largely a bogey). He believes that economists have over-estimated the technical difficulties (and especially the problem of de*flation) in maintaining* fixed rates: and that they have underestimated the forces that lead men to seek "to use the medium of exchange and the store of value that promises the most stability."

This brings us back to inflation, which is one of the central themes of the book. Lord Robbins belongs to the great liberal tradition of British political economy. Throughout his work there is the consciousness that economic analysis is a guide to political decision-taking, and that in making political decisions economic ends are (or should be) *subordinate to the great moral* values of human freedom and dignity. These values, "all that is most precious in human heritage," he sees threatened both by "the barbarian at the gate" and *by internal stresses, particularly* those generated by inflation.

Lord Robbins believes that inflation is a necessary consequence of excess demand in the labour market and that attempts to control it by prices and incomes policies are "tending nearer and nearer to the total control of the economic system." His prescription is simple. Demand should be regulated by monetary and fiscal policy so as to permit a growth of real output at constant prices in line with increasing productivity, and the rest should be left to the choice of those engaged in collective bargaining: "either *they restrict their claims to levels* justified by the rise in real production, in which case they are guaranteed, so to speak, a continuance of high levels of employment: or they do not, in *which case employment may* suffer." Easier said than done, but we shall have to learn to do it if we are not to "flounder on indefinitely with alternations of carefree inflation and spasmodic attempts to control the consequences thereof," while losing more and more of our freedom in the process.

White House cocktails

BY PHILIP GOODHART

For the Eyes of the President Only by Pierre Salinger. Col*lins. £2. 348 pages*

As it is the only entry Pierre Salinger's novel *For The Eyes of the President Only* seems bound to win the Galbraith prize for a work of fiction produced by anyone who happened to be press secretary at the White House during the Presidency of John Kennedy. In Salinger's *novel* there is, of course, a President of the United States (post-Nixon) and his press secretary; there is a Secretary of State and assorted American Senators, journalists, and Ambassadors; there is a moderately benevolent South American Dictator, the moderately hot-blooded daughter of the previous Dictator, and a moderately dotty South American revolutionary leader; there is a Chinese Communist rocket expert who *also* happens to be a guerilla commander of distinction. For no very obvious reason the entire high command of the Mafia also flicker in and out of the pages.

The tone of the novel is realistic in that almost everyone behaves stupidly most of the time.

The political moral of the story will contain much of interest to *students of the New Frontier.* The American President brings a simmering South American revolution to the boil by cutting American aid to the regime and then refuses military support to the Government. When it is discovered that the Chinese are going to instal nuclear rockets in rebel territory the President intervenes vigorously and decisively but reports that he was playing domestic politics with an international crisis bringing political retribution. The wrong man wins and the hero goes to Paris. It's a mixture of Cuba and early Vietnam with bits about the Mafia thrown in to add an improbable flavour—rather like a dash of Angostura bitters in a weak whisky and soda.

Market men

BY IAN DAVIDSON

Europe: The Case for Going In by Geoffrey Rippon and others. Harrap. £1.25. 136 pages

The trouble with the controversy over the Common *Market is that it has been going* on in precise terms—should we join the European Community or not?—for 20 years, and in vaguer terms for a good deal longer.

Practice makes perfect, however, and if *Europe: the case for going in* cannot claim to be a publishing sensation (especially amid the welter of propaganda pouring out from the Government, the Labour Party and from the pressure groups) it can claim to be a reasonably polished distillation of the pro-marketeers' main arguments.

Naturally, it does not set out to answer all possible questions *about the Community or about* the impact of membership on Britain. Christopher Mayhew's highly succinct chapter on The Economic Case for Joining *attempts to cover investment,* production, living standards, growth, social services, agriculture, taxation, technology, regional development, monetary union, trades unions, the Com*monwealth and the developing* world, all within the space of 38 pages. The result is a very creditable feat of compression, but no-one could pretend that the problem of agriculture can be thoroughly treated in 400 words.

The other chapters, on the broader historical and political issues, are less compressed—indeed, that by Jeremy Thorpe on European Democracy, is if *anything too diffuse.*

Lord Harlech, in The Natural Partnership, gives an admirable survey of the history of the idea of a united Europe, up to and including the signing of the *Treaty of Rome, while Duncan* Sandys gives an excellent summary of all the major aspects of The Political Case.

Humans without hope

BY C. P. SNOW

Angle of Repose by Wallace Stegner. Heinemann, £3.25. 569 pages

Birds of America by Mary McCarthy. Weidenfeld and Nicholson, £1.75. 318 pages

Fashion is a baffling thing. It neglects, for no discernible reason, some very good writers. Mr. Wallace Stegner is a curious example. He was born in Iowa and has lived most of his life in the American West, which he *knows as well, and writes about* as masterfully, as anyone alive. For years he presided over the creative writing school at Stanford, which must have been a distraction from his own creative work. *Nevertheless, he has* written a number of good novels, which have had considerable popular success in the U.S. He is a real novelist, someone to whom the novel is a natural form. He has had some *formal* recognition in his own country. But his name is scarcely so much as mentioned in London-New York literary exchanges.

Hounds of fashion are beyond hope, *until some new fashion* takes over, and earnest persons discover Stegner about the year 2000. Still, there may be others, independent souls, who can take his new novel at its own value. They will find it very well worth while. It has two cunningly inter-related themes, of which the concealed one carries the deeper meaning. His narrator, Lyman Ward, is a retired historian, crippled through the cervical spine, with a leg amputated. He is still under 60, but he has to face the prospect of death. To occupy the time left to him, he is digging about in the papers of his grandmother. She had been an art student in New York, not long after the Civil War, with connections in the world of William Deans Howells and Scribners Magazine. She married an engineer, also an Easterner, and set out with him in attempts, premature, underfinanced, to carry out great projects in the West. These failed. The physical details, in Idaho, California, Colorado, are, as in all Stegner's work, splendidly done: so is the sense of history. But the real significance of this, the overt theme, rests in the people. Oliver Ward, the engineer is a failure. So, the grandson discovers, was the marriage—though it endured until both partners were very old. Susan Ward, the grandmother, stands out in strength and sadness (something like the wife of Richard Mahony). She is a triumph of character realisation, not romanticised, or not much so, never losing her genteel bourgeois hankerings, envious of her life-long friend among the flower*ing culture of New York,* faith*ful in fact* but not in her imagination, supported by duty and diamond-hard will.

It appears from Mr. Stegner's acknowledgment that this story (which takes *place between 1870-1890*) was suggested to him by records of a family which he was allowed to read. That makes the fictional creation more remarkable, not less. Anyone who has used documentary material knows how hard it is to give it imaginative life. To make out of it personages with the *embossed* quality of Mr. Stegner's characters—that takes the real novelist which he so unaffectedly is.

Yet, as I said, this overt theme isn't the deepest meaning of the novel. That resides in the relation between the grandparents' *experience and the narrator's* own. Here he is, in physical affliction both humiliating and grave, brooding about his life—not only his personal life, which has had its bitterness, but also *the life around him*, the time he has lived through. He plays the same part as Mr. Sammler in Saul Bellow's last novel. He is experienced, wise, sarcastic, not much liking the axioms of his children's lives nor the world he has helped to bring about. Like Mr. Sammler he is a liberal without hope. There is a family resemblance between their conclusions. Of course, there is that kind of similarity between the terminal wisdom of sad old men. Lyman Ward is a good deal more stoical than Mr. Sammler: but then he has a good deal more to be stoical about.

This viewpoint might be expected to make the novel depressing. It isn't. It is made enlivening by an intelligence which is at the same time modest and hard. The final effect is one of East wind bracingness, such as one gets from the *best kinds of* stoical art.

Miss McCarthy has been much luckier with fashion. She is a little younger than Mr. Stegner, and her name has been in steady circulation for more than 30 years. That is just, for she has a strong literary personality, which is an uncommon gift. But she is not a natural novelist, in *the sense* in which I have been using the phrase of Mr. Stegner. She has made herself a novelist, rather according to the French pattern: that is, granted brightness and literary talent, one can *force oneself into novel-writing*, as a generation or two ago so many French literary figures did. The most striking example is André Gide, who was scarcely a creative writer at all. That isn't true of Miss McCarthy, but by far the best work of hers I have seen is her straight reporting, sharp-eyed, quick-witted, opinion-full, as in *Venice Observer* and *The Stones of Florence*. There she can stand comparison with our own Dame Rebecca West.

The Birds of America illustrates very clearly Miss McCarthy's talent and her weak*nesses—or maybe more exactly* her lack of confidence—as a novelist. It is a study, from close at hand, not at any time distanced, of an American adolescent boy. The blurb calls him an innocent abroad and at home, but that is misleading. He is maladroit, not effectual, but distinctly clever and in some intellectual ways sophisticated. His father is an Italian Jewish refugee, divorced from his mother, who has had two more husbands since. Peter Levi has lived among this kind of domestic multiplicity.

Miss McCarthy's problem is to give him the embossed quality—to repeat a word—which a fictional character needs. It would be quite wrong to imply that Miss McCarthy doesn't understand Peter. In many aspects she understands him deeply. She feels for him with a kind of restrained and diffident sympathy. But somehow that doesn't—it may be a failure of technique or nerve or just not letting herself go—endow her with the power to project him. She compensates for that by a number of resources which she has used in previous novels. One is by accumulating a clutter of naturalistic impedimenta. This *particular expedient*, which was common in the '30s, has always struck me as ill-judged. Sears Roebuck catalogues lack any element of suspense and inevitably date. Once or twice in this book, though, I have to admit that they introduce a pleasing touch of nostalgia, which has a liberating influence on Miss McCarthy's writing, so often too tight-lipped to set her characters free: it is agreeable when Peter's mother indulges herself over the Christmas decorations (duly listed) in the America of her childhood.

Another resource of Miss McCarthy is to write an essay on a subject vaguely connected with Peter, as, for instance, Peter and the architecture and ambience of Rome, or Peter and the drunken layabouts of Paris. Since Miss McCarthy is an excellent essayist, these passages are some of the most interesting in the book, but they are decorations which don't quite fill up *the hole in the centre*. A *final* device is an explicit attempt to present Peter as Candide with a contemporary Pangloss. But this comes as a literary afterthought, a sign that the writer *is forcing things too hard,* and like most literary afterthoughts doesn't work at all.

At the end of the book one feels a hazy fondness and hazy respect for Peter, but he hasn't totally materialised. Too much of the work of creating him has been *left to us*. The pleasures of the book, and they are genuine, are to be found, not in his actualised *self*, but all around the periphery—as in the manners and customs of New England seaside town or the manners and customs of Americans in Paris, executed with a genial ferocity which would have seemed somewhat biased *to Mrs.* Frances Trollope.

Ballet master

BY CLEMENT CRISP

Frederick Ashton: a choreographer and his ballets by Zoe Dominic and John Selwyn Gilbert. Harrap, £4.50. 256 pages

Zoe Dominic's photographs need no introduction to readers of our arts pages. Now, in a tribute to Sir Frederick Ashton, the cream of Miss Dominic's pictures of the Ashton repertory, *taken during the past decade,* has been collected in *Frederick Ashton: a choreographer and his ballets*. The resultant survey of 18 ballets—the majority in performance, with occasional *working rehearsal shots that are* no less convincing than the stage pictures—evokes the physical presence of dancers and ballets with remarkable force.

Among Miss Dominic's happiest gifts as a photographer of ballet is the fact, to be discerned in each shot, that she understands and loves dancing; her camera is not deceived or dazzled by the action on stage, but seizes the essential moment, the crucial pose. Thus she can often fix a whole ballet for us in a *single picture—witness* any one of her views of *Lament of the Waves* or *Marguerite and Armand* or *Persephone*.

There is, however, more to the book than Miss Dominic's photographs. *John Selwyn Gilbert* has provided a text that comprises interviews with Sir Frederick (to form a brief biographical sketch) plus comments from several of his associates, *which range from wise words by* Dame Ninette de Valois to rather more obvious tributes from dancers and collaborators. These will find a place in any study of the Ashton canon, but *Mr. Gilbert's own commentary* upon the works is singularly unilluminating when it departs from reporting the judgments of Ashton and his colleagues. The full-scale biographical and critical survey of Ashton's massive achievement is still to come, but until it does we must be grateful for Miss Dominic's beautiful pictures that render written commentary superfluous.

Zoe Dominic.

Anthony Dowell and Antoinette Sibley rehearsing "Daphnis and Chloe," one of many photographs in "Frederick Ashton"

Fiction

No place like it

BY ANTHONY PAUL

The Home by Penelope Mortimer. Hutchinson, £1.75. 230 pages

The Professor's Daughter by Piers Paul Read. Alison Press/Secker and Warburg, £2.25. 241 pages

The Naive and Sentimental Lover by John Le Carré. Hodder. £2.25. 415 pages

Who Came by Night by Nicholas Roland. Harvill, £1.75. 220 pages

The title of *The Home* is the bitter, thumping irony on which the whole novel is built. Penelope Mortimer describes a woman separated from her husband after 26 years of *marriage*, striving and failing to make a new life for herself. Eleanor Strathearn leaves her husband, a *fashionable* doctor, living with "a 22 year old person," and sets up an elaborate household for herself, her youngest son, and any of her other children who want to stay. But the boy goes back to school and the daughters marry or leave: one of them even has an affair with one of Eleanor's old lovers, on whom she had secretly counted.

One by one her other props fail her: one fugitive male acquaintance in whom she makes an elaborate and hopeless emotional investment never turns up to dinner; her mother, who has brainwashed her into the inadequacies that imprison her, inflicts the final betrayal by dying. Eleanor's identity crumbles. When it seems that Mrs. Mortimer has turned the screws as tight as they will go, Eleanor throws herself into a degrading sexual encounter, and is left on the brink of worse things yet.

Like *The Pumpkin Eater, The Home* probes relentlessly, and offers little comfort. Yet of course we are also entertained: the meticulous observation of the social surface, and the precise, specific nature of Eleanor's predicament, hold the novel on the level of tragi-comedy, prevent it from dissolving in its own painfulness. The writing is concise and vigorous, a constant pleasure.

From private to public agonies: Piers Paul Read's *The Professor's Daughter* gains as much from distance as *The Home* does from closeness. Mr. Read's theme is one that has been a quagmire for many writers, nothing less than the state of America. Separated from America by three years, he applies intelligence and style to the task of constructing a novel that is both a neat political parable and an exciting suspense story.

It gets off to a bold start, straight to the quick of the ulcer: a girl picks up an unattractive middle-aged man and then, before he has time to do up his trousers, throws herself out of a window. She turns out to be the daughter of an American paragon, a professor of Political Theory who is also a liberal-minded millionaire. The explanation of the girl's action comes in the form of an account of the Professor's life and career, the denial and suppression of a mutual incestuous attraction, the girl's *retreat into a brutal sub*-culture that treats her as a sexual convenience. It works on the surface-level, and as a sealed-down modern history of the U.S.

The novel catches up with its starting point and goes on to follow the Professor's efforts to reach a new understanding with his daughter and with his radical students. A passionate questioning of American society, conducted (an important point) by the characters and not by the aloof author, is welded to a drama of fanaticism, betrayal, doubt, culminating in a botched revolutionary act, and the Professor's apparently pointless sac*rifice of himself*. Nothing is simplified: in the end the contradictions remain, together with the keen American instinct to iron them out. Mr. Read has, elegantly and with assurance, expressed *broad moral* and political concerns through a novel that never remotely resembles a tract.

The drab Greene-ish tint of John Le Carré's spy novels suggested that he might turn out to be a political novelist. But he has moved elsewhere. *The Naive and Sentimental Lover* is about a rich man reaching out for something more magical and more alive than his life has. The beginning promises well, with 38-year-old Aldo Cassidy in his snug Bentley, looking for romance or whatever, and finding a crumbling mansion inhabited by destructive/creative Shamus and his lovely Helen. Aldo falls in love with both of them, and they, particularly Shamus, lead him henceforth a fine dance.

It is an exuberant and bizarre version of the perennial tug of war between bright infant and dull adult, inspired or dangerous first thoughts and sensible second ones. The only trouble is that the book is too insistently aware of the meaning of it all: there is too much spiralling prose, too little incident; it is over-long and self-indulgent. This is a pity, because the characters are well-realised: Aldo is *an intricate consciousness,* and Shamus a lively monster-artist with a good line in Blakean blarney. But they simply don't do enough to hold our attention for 400 pages. Should Mr. Le *Carré have stuck to his last* (or his last but one)?

Since fictional reworkings of biblical material are usually swollen pieces of *kitsch*, Nicholas Roland's *Who Came By Night* is a refreshing surprise. The novel relates, or hints at, the events of AD 28-30, from the points of view of the Pharisees, Saducees, and Roman colonial officers, all of whom are brought vividly to life.

The central figure is Nicodemus, a hellenised Jew, friendly with both the High Priest and the Roman governor. *Nicodemus is the one man to see* that Jesus is more than a brilliant teacher of possibly heretical views, suspected by the Romans of being a Zealot leader, sacrificed by the High Priest on *the altar of political expediency.* Mr Roland himself takes an orthodox Christian viewpoint, but his sympathies are wide, and his knowledge of the religio-philosophical background deep (he is a former British Consul in Jerusalem): his novel is both scholarly and extremely readable.

Sex & variations

BY ANTHONY CURTIS

Girl 20 by Kingsley Amis. Jonathan Cape. £1.50. 253 pages

The latest Amis is true to the form of his earliest successes, an *aggressive*, boisterous social satire with sex rearing its pretty head across the widest of generation gaps. Though 18 years on, it reminded me of *Lucky Jim*, the narrator finding himself *hopelessly vulnerable to out*rageous people to whom he has an involuntary loyalty and while dragging along after them trying on the side to do his own erotic thing.

He is a free-lance music critic, a type I happen to know rather well, although I've never met one in real life remotely resembling this fellow. However, he certainly provides Mr. Amis with a con*vincing enough version of his* favourite central character, the unholy fool. His folly here seen in his affection for an eminent composer-conductor and musical pundit who, though a family man and a respected *public* figure, has a fatal weakness for girls of 20 and under. This leads the critic to a prolonged involvement not only with the musician's wife, glamorous daughter ("her breasts were like knee caps covered with Grade A flesh") her black boyfriend, their dog and the rest of the pro*gressive household*, but also with his Underground-style mistress and her chequered field of operation.

Each of these characters is like a separate instrument with a *brilliantly scored part to perform* and Amis himself conducts the plot like a maestro: an intriguing preparatory first movement in a detective-story key, leading to a series of crashing farcical *climaxes in the second and third,* containing some of the funniest passages he has ever written, and then a down-beat conclusion of punitive sadness in which the main retribution falls upon a *quarter one might have regarded* (though wrongly so, if I've got Mr. Amis's message right) as undeserving.

Mr Amis has a considerable reputation as a mimic and this *talent now extends to the printed* page with a deadly phonetic representation of his chief character's speech affectations and his mistress's fashionably impure vowels. As for the delineation throughout of life-styles to-day, these are a pure joy with scenes set in a London club, First World War décor restaurant, pop/classical concert, drop-out flat, and air-hostess's parlour. In all of them the combination of energy and accuracy in the writing is irresistibly impressive.

INTERIM STATEMENTS

PHŒNIX
ASSURANCE COMPANY LIMITED
Interim Statement

RESULTS TO 30th JUNE 1971

The following are the estimated and unaudited results of the Phœnix Group of companies for the half-year ended 30th June 1971 (based on rates of exchange ruling at that date) with corresponding figures for the first six months of 1970 and actual results for the full year 1970:

	6 months to 30.6.71 £'000	6 months to 30.6.70 £'000	Year 1970 £'000
Net premiums written: Fire, Accident, Marine and Aviation	55,844	47,652	100,834
Underwriting result: Fire, Accident, Marine and Aviation	587	309	—430
Long-term insurance profit	325	300	689
Investment income	3,630	3,122	6,886
	4,542	3 731	7,145
Less pensions, expenses and minority interests	823	722	1,565
Profit before tax	3 719	3,009	5,580
The statutory figures for the UNITED STATES included in the above results are as follows:	$'000	$'000	$'000
Net premiums written	39,424	38,226	76,898
Net premiums earned	39,038	37,050	76,231
Underwriting profit/loss (after charging dividends to policyholders and other outgo)	38	—973	—1,902
Investment income	2,475	2,296	4,819
Claims as a percentage of earned premiums	68.2	69.6	70.3
Commission and expenses as a percentage of written premiums	30.5	31.5	31.3
Operating ratio	98.7	101.1	101.6

The Directors emphasise that half-year figures cannot be taken as a reliable guide to the results for the full year.

GENERAL BUSINESS

A satisfactory rate of premium growth has been accompanied by a further improvement in the overall underwriting result. There has been a substantial improvement in the United States and a profit was again earned in the United Kingdom despite a loss on motor business. Elsewhere the overall result was not significantly changed from last year.

LONG-TERM BUSINESS

New life business in the first half of the year shows an accelerated rate of development, new sums assured being as follows:

	6 months to 30.6.71 £m	6 months to 30.6.70 £m	Year 1970 £m
United Kingdom	104.3	85.5	209.8
Overseas	35.7	26.5	69.5
Total	140.0	112.0	279.3

In addition, new annuity business in the United Kingdom has shown a substantial increase.

DIVIDEND

The Directors have declared an interim dividend of 4p (1970 interim 3.75p) per share payable, less income tax, on 15th December 1971 to members on the Register at the close of business on 15th November 1971. The cost will be £1,608,000 (1970 £1,507,000).

29th September 1971

THE EXPANDED METAL COMPANY
LIMITED

First Half Year's Results, 1971

The estimated (unaudited) group trading profit before tax for the six months to the 30th June, 1971 is £542,000 against £436,000 for the comparable period in 1970—an improvement of 24%.

	1968 £'000	1969 £'000	1970 £'000	1971 £'000
First Half (Unaudited)	311	352	436	542
Second Half	498	498	577	—
Full Year	809	850	1,013	

At the Annual General Meeting held in May, I was able to report that overall Group results were well ahead of the comparable figures for last year. This trend is continuing and the results for the full year should prove equally satisfactory.

Your Board has declared an interim dividend of 6% (1970 5%) per 25p of Ordinary Stock, less Income Tax, payable on the 29th October, 1971 to holders of Ordinary Stock registered on the 1st October, 1971.

29th September, 1971. Patrick Hamilton, Chairman.

BUSINESS AIRCRAFT

COMPANY NOTICES

ASSAM CONSOLIDATED TEA ESTATES LIMITED

NOTICE IS HEREBY GIVEN that the Transfer Books of the Ordinary and Preference Stock will be CLOSED from 18th to 28th October, 1971 (both dates inclusive).

By Order of the Board,
YULE, CATTO AND CO. LIMITED,
Secretaries.

HAMPSHIRE COUNTY COUNCIL BILLS

NOTICE IS HEREBY GIVEN that on September 29th 1971, Hampshire County Council issued £500,000 Hampshire County Council Bills maturing on 26th January 1972 at an average rate of discount of 4½% per annum. The total amount of bills outstanding is £1,000,000.

B. DUFTON,
County Treasurer.

N.V. ENGELSCH-HOLLANDSCHE BELEGGINGS TRUST (ENGLISH AND DUTCH INVESTMENT TRUST)
established in Amsterdam

5% FIRST CUMULATIVE PREFERENCE SHARES
5% SECOND PREFERENCE SHARES

NOTICE IS HEREBY GIVEN that PAYMENT of the following DIVIDENDS having been duly authorised, the relative coupons may be presented at the Offices of HOLLANDSE KOOPMANSBANK LIPPMANN ROSENTHAL N.V., Nieuwe Spiegelstraat 6-8, Amsterdam, for PAYMENT on or after 1st October 1971:

5 per cent First Cumulative Preference Shares:
Coupon Nr. 85 due 1st October 1971, at the rate of f.1.25.—;
5 per cent Second Preference Shares:
Coupon Nr. 85 due 1st October 1971, at the rate of f.1.25.—.

25% Dutch Dividend Tax will be deducted.

Residents of the United Kingdom and other countries with which The Netherlands have concluded a Tax agreement, are advised to consult their bankers in order to obtain their dividends free or partly free of Dutch Dividend Tax.

Coupons forwarded from the United Kingdom will only be accepted if forwarded by Authorised Depositaries and accompanied by the usual declarations required in accordance with the regulations in force in Holland.

By order of the Board,
HOLLANDSE KOOPMANSBANK
LIPPMANN ROSENTHAL N.V.
Managers.

Nieuwe Spiegelstraat 6-8,
AMSTERDAM.
30th September, 1971.

ROLINCO N.V.

Rolinco N.V., Rotterdam announce a Cash Dividend of Fl.3 per Ordinary share of Fl.50 (Fl.0.30 per Sub-share).

BEARER SHARE WARRANTS WITH COUPONS ATTACHED

Authorised Depositaries in the United Kingdom may present coupons to the Company's Paying Agents, National Westminster Bank Limited, Stock Office Services, Coupon Payment Section, 5TH FLOOR (EAST), Drapers Gardens, 12 Throgmorton Avenue, London, E.C.2. Payment will be made in Sterling at the sight buying rate of Exchange (less exchange commission) at Amsterdam current at 2 p.m. on the day of lodgment.

The dividend will be payable at Fl.3 per share, less tax as appropriate as from 5th October, 1971, against surrender of Coupon No. 11.

Coupons presented on behalf of shareholders who are subject to United Kingdom Income Tax will be subject to Dutch Withholding Tax at the rate of 15% and United Kingdom Tax at the rate of 23.75% on the gross dividend. Forms 92 V.K. will not be required in respect of claims lodged within six months of the payment date. Coupons No. 11 presented after 5th April, 1972 must be accompanied by a completed Form 92 V.K. duly certified by the individual shareholder's Inspector of Taxes.

If the coupons presented are accompanied by certified Forms 92 CAN., DEN., FIN., D., IER., JA., LUX., N.A., NW., SUR., VS., or ZWE., supplied by residents of Canada, Denmark, Finland, The Federal Republic of Germany, Eire, Japan, Luxembourg, the Netherlands Antilles, Norway, Surinam, the United States or Sweden respectively, Dutch dividend tax amounting to 15% will be withheld. Forms 92 V.S. must be submitted in duplicate.

Complete exemption from Dutch Tax may be claimed for residents of France by presenting certified forms Fr. Model A or B with the coupons.

In all other cases Dutch Withholding Tax at 25% will be deducted from the gross dividend.

Exemption from United Kingdom Tax may be claimed by lodging the usual affidavit certifying non-residence in the United Kingdom.

Coupons will be accepted for payment on business days between the hours of 9.30 a.m. and 2 p.m.

Listing forms may be obtained from the Company's Paying Agents.

SUB-SHARE CERTIFICATES REGISTERED IN THE NAME OF NATIONAL PROVINCIAL BANK (NOMINEES) LIMITED

Claims should be lodged with National Westminster Bank Limited, Stock Office Services, 5TH FLOOR (EAST), Drapers Gardens, 12 Throgmorton Avenue, London, E.C.2. on forms obtainable from that Department, by Authorised Depositaries only, who should mark such payment of the Dividend on the back of each certificate. Details of the requirements necessary to obtain relief from Netherlands Tax under Double Taxation Agreements will be available with the claim forms. The applicable United Kingdom Income Tax of 23.75% on the gross dividend, for United Kingdom Residents, will be deducted where appropriate.

Where Non-Residents require this dividend to be paid free of United Kingdom Tax the usual Inland Revenue Affidavit must be lodged with the claim.

The Record Date will be the 29th September, 1971.

The Dutch Currency will be converted on the 29th September, 1971. Exchange and Marking Name Commission will be deducted.

Payment will be made by National Provincial Bank (Nominees) Limited on or after the 11th October, 1971.

A further announcement will be made shortly giving full Sterling details of the Dividend.

SHAREHOLDERS IN THE REPUBLIC OF IRELAND

Approved Agents in the Republic of Ireland may present coupons to the Company's Paying Agents there, The Allied Irish Banks Limited, Dame Street, Dublin 2.

Claims on Sub-share certificates registered in the name of The Munster and Leinster Bank Nominees Limited should be lodged with the Bank at Dame Street, Dublin 2.

UTILICO N.V.

Utilico N.V., Rotterdam announce a Cash Dividend of Fl.4.60 per share (Fl.0.46 per Sub-share).

BEARER SHARE WARRANTS WITH COUPONS ATTACHED

Authorised Depositaries in the United Kingdom may present coupons to the Company's Paying Agents, National Westminster Bank Limited, Stock Office Services, Coupon Payment Section, 5TH FLOOR (EAST), Drapers Gardens, 12 Throgmorton Avenue, London, E.C.2. Payment will be made in Sterling at the sight buying rate of exchange (less exchange commission) at Amsterdam current at 2 p.m., on the day of lodgment.

The dividend will be payable at Fl.4.60 per share, less tax as appropriate, as from 5th October, 1971, against surrender of Coupon No. 5.

Coupons presented on behalf of shareholders who are subject to United Kingdom Income Tax will be subject to Dutch Withholding Tax at the rate of 15% and United Kingdom Tax at the rate of 23.75% on the gross dividend. Forms 92 V.K. will not be required in respect of claims lodged within six months of the payment date. Coupons No. 5 presented after 5th April, 1972, must be accompanied by a completed Form 92 V.K. duly certified by the individual shareholder's Inspector of Taxes.

If the coupons presented are accompanied by certified Forms 92 CAN., DEN., FIN., D., IER., JA., LUX., NA., NW., SUR., ZWE., or VS., supplied by residents of Canada, Denmark, Finland, The Federal Republic of Germany, Eire, Japan, Luxembourg, the Netherlands Antilles, Norway, Surinam, Sweden or the United States respectively, Dutch dividend tax amounting to 15% will be withheld. Form 92 V.S. must however be submitted in duplicate.

Complete exemption from Dutch Tax may be claimed for residents of France by presenting certified forms Fr. Model A or B, with the coupons.

In all other cases Dutch Withholding Tax at 25% will be deducted from the gross dividend.

Exemption from United Kingdom Tax may be claimed by lodging the usual affidavit certifying non-residence in the United Kingdom.

Coupons will be accepted for payment on business days between the hours of 9.30 a.m. and 2 p.m.

Listing Forms may be obtained from the Company's Paying Agents.

SUB-SHARE CERTIFICATES REGISTERED IN THE NAME OF NATIONAL PROVINCIAL BANK (NOMINEES) LIMITED

Claims should be lodged with National Westminster Bank Limited, Stock Office Services, 5TH FLOOR (EAST), Drapers Gardens, 12 Throgmorton Avenue, London, E.C.2. on forms obtainable from that Department, by Authorised Depositaries only, who should mark such payment of the Dividend on the back of each certificate. Details of the requirements necessary to obtain relief from Dutch Tax under Double Taxation Agreements will be available with the claim forms. The applicable United Kingdom Income Tax of 23.75% on the gross dividend for United Kingdom Residents will be deducted where appropriate.

Where Non-Residents require their dividend to be paid free of United Kingdom Tax the usual Inland Revenue Affidavit must be lodged with the claims.

The Record Date will be the 29th September, 1971.

The Dutch Currency will be converted on the 29th September 1971. Exchange and Marking Name Commission will be deducted.

Payment will be made by National Provincial Bank (Nominees) Limited on or after the 11th October, 1971.

A further announcement will be made shortly giving full Sterling details of the Dividend.

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ADVERTISEMENT

A Brief Outline of Recent Developments in the Greek Economy

By Mr. Dem. Galanis, Governor, Bank of Greece.

Rapid income growth sustained

In 1971, the Greek Economy, for the third consecutive year, continued to grow at a high rate under conditions of satisfactory price stability and overall balance of payments equilibrium.

In the first half of 1971 industrial production rose by 8.6 per cent above the level it had reached in the corresponding period of 1970 and this compares with respective increases of 11.4 per cent in 1970 and 10.3 per cent in 1969. It is anticipated that in 1971, as a whole, secondary production will increase by about 10 per cent. Following this, and in spite of the forecast that the increase in agricultural income will be limited to 3 per cent it is expected that gross national income, at constant prices, will increase in 1971 by more than 7 per cent as compared with increases of 7.5 per cent in 1970 and 7.7 per cent in 1969.

Fast economic growth continues to be combined with further structural improvement in both national income and total expenditure. For the third successive year, income from manufacturing is expected to exceed agricultural income. At the same time, the share of fixed capital formation in gross national expenditure is expected to rise to approximately 25 per cent in 1971, as against 24.3 per cent in 1970, 24.2 per cent in 1969 and 21.3 per cent in 1966. Indeed, for the fourth consecutive year, investment in fixed capital is growing faster than the target figure (average annual rate 9.9 per cent) envisaged in the Five-year (1968-1972) Economic Development Plan. Furthermore, investment in fixed capital is expected to show a structural improvement as well, owing to the higher rate of investment in manufacturing and tourist infrastructure projects as opposed to investment in housing.

Satisfactory price stability

Relative price stability was evident again in 1971 and this is highly important especially if account is taken of the rapid price increases in other countries. During the first eight months of this year the average level of the consumer price index was 3.1 per cent higher than in the same period of 1970. The corresponding increases were 2.8 per cent in 1970 and 2.5 per cent in 1969. In August this year, the same index was higher by 3.3 per cent than in August 1970. It is anticipated that the consumer price index will rise by approximately 3 per cent between the beginning and the end of the year 1971, as compared with corresponding increases of 3.7 per cent in 1970 and 2.2 per cent in 1969.

Balance of payments equilibrium maintained

The main characteristics of this year's balance of payments are: the sharp fluctuations in the growth rate of imports, the moderate decline in exports, and the rapid increases in invisible earnings, especially those from tourism.

Developments on both sides of the trade balance have been affected by international price changes (as for instance in the case of petroleum products) and perhaps by the psychological impact of world uncertainty regarding currency relationships, which culminated in the present monetary crisis. Under the influence of the above factors and certain other special causes, the rate of imports fluctuated sharply within the year. It was unusually high in the first quarter but definitely decelerated thereafter. In the first eight months of this year payments for imports rose to $1,229 million as against $1,073 million and $916 million in the corresponding periods of 1970 and 1969. This means that imports increased by 14.5 per cent as compared with an increase of 17.1 per cent in 1970. In both years, the increase was caused mainly by imports of capital goods and raw materials, a fact which reflects the phase of economic development through which Greece is presently passing. On the other hand, exports in the first eight months of 1971 amounted to $367 million, which is about 3 per cent less than in the comparable period of 1970, when they had increased by 25 per cent in relation to 1969. This decline stems chiefly from the drop in exports of certain metals, such as nickel, and this because of the sharp fall of their prices in the international market. Since metals have become a highly significant component of total Greek exports in recent years, their marked decline this year has offset the growth sustained by other exports, such as chemicals, textiles etc.

As a result of these developments, trade figures for the first eight months of this year show a deficit of $862 million as against $694 million in the same period last year. Most of this deficit has been offset by the greatly increased surplus in invisibles. In fact, gross invisible earnings during the eight months under review soared to $782 million compared with $593 million in 1970. A sharp increase has taken place in earnings from tourism, which have grown by 57 per cent over the level reached in the corresponding period in 1970 and by 95 per cent over that in 1969. The respective growth rates for emigrants' remittances are 32 and 63 per cent and those for earnings from shipping 29 and 42 per cent. The deficit on current account from January to August 1971 amounts to $276 million, which is exactly the same as in the corresponding period of 1970. This deficit has been more than offset by a net capital inflow of $336 million as compared with $253 million in the first eight months of 1970.

Satisfactory foreign exchange position

As a result of the developments in the various components of the balance of payments, the reserve position has been greatly strengthened. On 15th September our official gold and foreign exchange reserves stood at $427 million as against $310 million at the beginning of the year and $313 million on 15th September, 1970. These figures include the gold tranche with the IMF, currently amounting to $34.5 million, but exclude the special reserve of gold sovereigns built up through purchases from the domestic market by the Bank of Greece.

Greece is going through a phase of intensive economic development. It is clearly believed that further economic progress depends on the maintenance of large scale external transactions. We are, therefore, eagerly looking forward to a restoration of orderly conditions in international payments and currency relationships the soonest possible.

Growth in bank deposits. Small increase in currency circulation

This year bank deposits, especially savings deposits, continued to grow at an even faster rate than in immediately preceding years, while the increase in national income has continued to outpace the increases in currency circulation and money supply. Although these developments are closely related to the current phase of rapid economic growth, they should also be interpreted as a reflection of the public's confidence and optimism in the future of the economy.

During the first eight months of the year private deposits increased by about Dr. 14,700 million or 14.8 per cent, as compared with increases of Dr. 11,414 million or 14.3 per cent in 1970 and Dr. 9,048 million or 13.7 per cent in 1969. On the other hand, currency circulation at the end of August this year was 10.6 per cent higher than it was a year earlier. This rate of increase is less than the estimated rate of increase in national income at current prices.

Monetary and fiscal policy. New credit measures

The liquidity of the economy, particularly of the banking system, also continued to increase at a fast rate this year and was accompanied by an expansion in bank credit which, at certain times, could be considered as excessive. In view of this, it was deemed advisable to introduce control measures that would halt undue credit expansion and ensure, to a greater extent, that credit was allocated in accordance with development requirements.

The measures taken in this respect are, in brief, as follows:

i Commercial banks may not extend credit beyond their balances outstanding on 30th April, 1971. This ceiling is temporary and subject to revision. Certain categories of credit, such as long-term loans for fixed capital formation and export credits, have been exempted from this restriction.

ii Certain qualitative credit controls have been made tighter. For instance, the amount of credit to be granted to enterprises must be commensurate with their production; credit may not be granted for the accumulation of excessive stocks etc.

iii The percentage of private deposits which commercial banks must invest in treasury bills and government bonds was increased by 2 percentage points. An increase was also imposed on the percentages of the compulsory non-interest bearing deposits maintained by the commercial banks at the central bank.

In the fiscal sector, the increase in public consumption expenditure continued to be kept down in order to allocate more funds for the infrastructure projects of the Public Investment Programme. In fact, the ordinary budget is expected to contribute some Dr. 4,300 million to this year's enlarged Programme, as against Dr. 3,704 million in 1970 and Dr. 2,866 million in 1969. The new Government bond loan, amounting to Dr. 2,350 million, to be issued to public subscription this coming November, is to be allocated to the financing of the Public Investment Programme. Prevailing conditions and past experience give us every reason to expect that once again this new bond issue will be easily over-subscribed by the public.

Athens, September 1971.

WALL STREET + OVERSEAS MARKETS

Narrow changes in quiet trading

BY OUR WALL STREET CORRESPONDENT

NEW YORK, Sept. 29.

WITH MANY INVESTORS observing a Jewish religious holiday—Yom Kippur, Wall Street closed narrowly irregular in lethargic trading to-day.

After fluctuating narrowly all day, the Dow Jones Industrial Average finished 0.59 off at 883.83, while the NYSE All Common Index held unchanged at $54.08. Advances and declines were evenly matched at 636-638 respectively. Volume sharply decreased by *2.67m. shares to 8.58m.*—the second lowest total of the year.

Analysts were encouraged that *the list was able to maintain itself* on such a low volume which was indicative of some "technical" strength.

In background news the House Ways and Means Committee passed the President's Tax Bill.

Near the close, the chairman of *the International Monetary Fund* meeting in Washington said he believes the U.S. would probably *consider devaluing the dollar* against gold, if necessary for currency alignment agreement.

Among Computers, which were mostly weak, RCA went against the trend and gained $¾ to $36⅞. *Control Data lost $2¼ to $45½*—a block of 94,000 shares traded at $45½—it expects to consider new equity financing later this year.

Motorola, second on the active list, declined $2⅜ to $76¼—it said it was modifying a new TV set to avoid potential shock hazards.

Among "Glamours," Bausch and Lomb rose $2¾ to $136 and Memorex gained $1½ to $33⅞, but Disney dropped $1½ to $109.

Anaconda and Kennecott each eased fractionally—the Chilean Government has deducted $744m. from any compensation the companies will receive for their seized copper mines, terming this sum what was need to cover "excess profits" made by the companies over the past 16 years.

Gold issues, which generally have been strong since the world monetary crisis began last month, weakened slightly. Campbell Red Lake lost $⅛ to $27⅛.

Motors were weak on Press reports that so far President Nixon's economic policies, partly designed to help the industry, have resulted in a profit squeeze. Ford and General Motors each *slipped $½ to $69⅝ and $82¼ respectively.* Chrysler lost $¾ to $29½.

Studebaker-Worthing fell $1½ to *$53½—the company purchased a* $7m. Note and Warrants to purchase 400,000 shares of Susquehanna, which closed unchanged at $10½.

Airlines were firm. Although Pan-Am shed $⅜ to $10¼—it announced it would match the low fares announced by some International carriers operating the North Atlantic route. Last week, Pan American and TWA had sought U.S. Government help in blocking low North Atlantic fares.

Among Oils, Jersey Standard climbed $1 to $70⅜, Royal Dutch advanced $⅝ to $38⅝ and Getty *jumped $1 to $81.*

The American SE Index gained 2 cents to $25.33.

Superscope dropped $2 to $14¼ —*Sony has filed a suit seeking a* determination of requirements under its agreement with Superscope, the U.S. distributor for Sony tape recorders.

Alison Steel moved ahead $1½ to $30¾ on an offer by Marathon Mfg. of $12 a share.

OTHER MARKETS

Canada further declines

Canadian Stock Markets further declined in moderate trading yesterday. The Industrial Index lost 1.12, Utilities 1.18, Banks 0.35, Papers 0.57, Golds 0.97 and Base Metals 1.60. But Western Oils improved 1.09.

Canada Steamship Lines were marked up $7½ to $38½ on a takeover bid by Power Corp.

Falconbridge Nickel dropped $2¼ to $82. Pine Point Mine declined $2½ to $23 and McIntyre Porcupine *lost $2¼ to $70. Off $1 or more* were Distillers-Seagrams, Dupont, Velcro Industries and Versafood.

PARIS—Market generally eased. Chemicals, Banks, Financials Electricals and Motors were mixed.

CIC in Banks and Olida in Foods, were gainers. L'Oreal fell Frs.37, Redoute declined Frs.7.9.

Foreign stocks were mixed. Dutch stocks were firm, led by Philips. General Motors rose but Kodak and Schlumberger each *eased in mixed Americans.*

BRUSSELS—Generally resistant, after recent weakness, as dealers noted selective buying interest at the lower levels. But trading *turned quieter after an active* opening.

Arbed, Gevaert, Solvay and ACEC each *moved slightly higher.* Most other leading issues held steady. Petrofina and American Petrofina each eased, while Canadian Petrofina improved.

GERMANY — Markets were firmer in active dealings. Leading issues generally gained up to *DM3 on increased investor demand.* Hoechst, up DM3, led Chemicals higher, while Banks *moved up. Deutsche Bank rose* DM2.4.

Motors were mixed, with Volkswagen up DM7, Daimler up another DM4 and BMW rising DM3, but Audi-NSU lost DM2.5.

Bonds generally held steady.

AMSTERDAM— Internationals were led higher by Royal Dutch, which recovered Fls.3.5 following Tuesday's Wall Street block trade. Philips further improved Fls.1.6.

Local Industrials rose sharply, led by Heineken, up Fls.6.8 and OCE-Van der Grinten, *up Fls.3.* Banks eased, Investment Funds were narrowly mixed, most Shippings advanced headed by *KNSM.* Plantations and Insurances firmed.

SWITZERLAND—Markets were distinctly firmer, although volume continued rather limited. Buying *interest was mainly selective and* primarily stemmed from purchases for foreign account.

Bearer shares were particularly favoured with Nestle Bearer and Ciba/Geigy Bearer advancing. Gains were also scored by Banks, led by Bankverein, and by Elektro-Watt among Financials.

Dollar stocks were mixed. Computer shares moved sharply lower in active trading. In otherwise well maintained Dutch Internationals, Unilever were weak. Germans were generally easier.

MILAN—Generally higher after a slow start. Leading Industrials *were in good demand,* with Montedison advancing Lire 21.75. Fiat, Olivetti and Pirelli Spa each moved higher, *but Pirelli Cie were* slightly lower. Insurances and Financials firmed.

OSLO—Industrials continued to decline, while Banks and Shippings were quiet.

VIENNA—Market continued to rally.

COPENHAGEN — Irregular in quiet trading. Banks declined.

STOCKHOLM — Weaker tendency.

JOHANNESBURG — Dealings were quiet and prices little changed, *owing to the Yom Kippur holiday.*

Platinum shares, with the exception of Waterval, were easier on balance, with the Rustenburg fire announcement causing initial alarm. Prices, however, started to level out, with PP Rust off the bottom.

Gold issues were quiet and generally unchanged. Palamin eased in Coppers, while other Metals and Minerals were untested. Financial Minings moved lower on lack of interest.

Industrials were featureless.

TOKYO—Active selective interest continued and the volume rose to 240m. (200m.) shares.

A few "speculative" stocks gained further ground on buying by leading securities firms. Shochiku rose Yen 6 to 200 and Isuzu Motor also put on Yen 6 to 126.

Some Pharmaceuticals also gained ground, *mainly reflecting* technical factors. Sanhiyo improved Yen 7 to 225, Fujisawa Pharmaceutical Yen 13 to 346 and Nisshin Pharmaceutical Yen 17 to 282.

Oils were also higher in anticipation of better business. Nippon Oil advanced Yen 8 to 153.

Honda Motor rose Yen 13 to 204, following reports that the *percentage of its foreign holdings* was increasing.

AUSTRALIA—Mines continued to move lower, led by "heavyweights," although losses were less severe. Oils were mixed, as were Industrials.

Among "heavyweight" Mines, Peko Wallsend dropped 24 cents to $6.90, New Broken Hill fell 20 cents to $8.70 and Bougainville eased 7 cents to $2.33.

Western Mining declined 7 cents to $2.59, as did Broken Hill South to $2.25.

Poseidon fell $1 to $16, after $15.80. Spargos lost 5 cents to *50 cents and Selcast came back* 3 cents to $1.42, but Southland rose 7 cents to 68 cents.

In Oils, heavy bidding for Woodside and Mid East featured trading with Woodside closing 15 cents higher at $1.05, after $1.10, and Mid East up 9 cents at 77 cents, after 80 cents. A Woodside spokesman said no report was pending.

Among Industrials, Swift Industries added 9 cents at $1.65.

Indices

NEW YORK

DOW JONES AVERAGES

Close	Home Bonds	Transport ‡	Indus. *	Util. Φ	Trading volume† 000's
Sept. 29	71.06	235.67	883.83	109.23	8,580
28	71.06	235.01	884.42	109.38	11,260
27	70.99	234.77	883.47	109.18	10,220
24	70.96	237.01	889.31	109.50	13,460
23	70.99	238.71	891.28	109.69	15,250
22	70.99	239.91	895.56	109.89	14,250
21	71.02	241.12	903.40	110.78	10,640
20	71.28	241.66	906.15	110.94	9,540
17	71.23	242.62	908.22	111.32	11,020
1971 High	71.98 (6/4)	248.63 (7/9)	950.82 (28/4)	128.39 (19/1)	—
Low	68.62 (4/1)	169.70 (4/1)	830.57 (4/1)	108.18 (27/9)	—

* All-time high 995.15 (9/2/66)
‡ All-time high 279.88 (7/2/69)
Φ All-time high 163.32 (20/4/65)
† Excluding bonds.

IND. DIVIDEND YIELD p.c.

Sept. 24	Sept. 17	Sept. 18 1970
3.55	3.47	4.24

N.Y. SE ALL COMMON INDEX

Dec. 31, 1965=50

1971 High	1971 Low	Wed.	Tues.	Mon.	Fri.	Thurs
57.76 (28/4)	49.78 (4/1)	54.08	54.08	53.96	54.26	54.37

RISES AND FALLS

Issues traded	Up	Down	Unchanged
1,637	636	638	363

1970/71	Wed.	Tues.	Mon.	Fri.	Thurs
New Highs	18	9	9	17	11
.. Lows	60	51	66	57	64

AMERICAN SE ALL STOCKS AVERAGE

1971 High	1971 Low	Wed.	Tues.	Mon.	Fri.	Thurs
26.69 (28/4)	22.72 (4/1)	25.33	25.31	25.28	25.35	25.52
Volume (000's)		2,120	5,020	2,480	2,900	3,080

STANDARD AND POORS U.S. STOCK INDICES

	*Industrials	†Composite
Sept. 29	108.25	97.90
28	109.23	97.88
27	107.59	97.62
24	108.31	98.15
23	108.74	98.38
22	108.95	98.47
21	109.89	99.34
1971 High	115.84 (28/4)	104.77 (28/4)
1971 Low	99.77 (4/1)	91.15 (4/1)

* 425 Industrials. † 425 Industrials, 50 Utilities and 25 Rails. (1941=10.)

STOCK AND BOND YIELDS

	Sept.22	Sept.15	Sept 23 1970
Industrial div. yield pc	2.89	2.86	3.60
Price-earning ratio	17.57	17.82	15.60
Long-term Govt. Bds. yields pc	5.66	5.57	6.63

MOST ACTIVE STOCKS

	Shares traded	Closing price	Change on day
Control Data	194,000	45½	−2¼
Motorola	158,600	76¼	−2⅜
Sony	145,600	15	—
Lenox	140,400	27⅞	−⅛
Howard Johnson	129,200	37½	—
RCA	102,900	36⅞	+¾
McDonald's	95,700	61½	−⅛
Williams Co.	78,300	46½	+¼
Emery Industries	77,500	11½	+⅛
Amer. Tel. and Tel.	62,900	42⅝	−⅛

TORONTO

INDUSTRIAL INDEX

Sept. 29	Sept. 28	1971 High	1971 Low
168.21	169.19	188.74 (2/1)	168.21 (29/9)

MONTREAL

INDUSTRIAL INDEX

Sept. 29	Sept. 28	1971 High	1971 Low
174.31	175.43	188.59 (2/4)	174.31 (29/9)

COMBINED INDEX

Sept. 29	Sept. 28	1971 High	1971 Low
173.12	174.19	184.05 (20/4)	172.83 (22/2)

JOHANNESBURG

	Sept. 29	Sept. 28	High	Low
Industrials	172.3	174.0	212.4 (9/4)	165.8 (3/1)
Golds	71.7	71.5	89.3 (19/4)	70.2 (1/9)

(1936=100.) Source: Rand Daily Mail.

AUSTRALIA

MELBOURNE YIELD INDICES

Av'ge yield on 60 Leading Stocks	Sept. 23	Sept. 16	Sept. 9
On Dividends	5.76	5.75	5.69
On Earnings	9.71	9.59	9.74

SYDNEY ALL ORD. INDEX

Sept. 29	Sept. 28	High 1971	Low 1971
436.50	439.23	516.51 (4/1)	436.50 (29/9)

TOKYO

NEW SE INDEX

Base=100 January 4, 1968.

Sept. 29	+ or −	Div. %	Yield %
182.48	+1.15	11.90	3.34

1971	High	Low
	208.19 (15/8)	148.83 (5/1)

EUROPE

	Sept. 29	Previous	1971 High	1971 Low
Belg'm (m)	95.64	95.44	106.74 (30/7)	92.14 (4/1)
France (bb)	70.2	70.4	79.2 (28/7)	69.7 (27/9)
Germany *	97.69	96.81	112.71 (23/2)	95.34 (21/9)
Holland (o)	107.6	106.4	128.0 (8/4)	105.7 (25/8)
Italy †	46.17	46.28	60.09 (6/3)	45.29 (26.8)
Sweden (p)	269.91	271.66	292.71 (23/6)	240.71 (6/1)
Switz'rl'd **	381.5	378.3	412.9 (10/9)	363.5 (4/1)

* Herstatt Index. † Base amended to January 2, 1962, from December, 1958. ** Swiss Bank Corporation Index base 100 December, 1968. (b) Basis 100 December 29, 1967. (c) Closed. (m) Base date amended from 1953 to 1963. (o) Adjusted now quoted on basis 1963=100 and no longer 1953=100. (p) Base date December 29, 1956. (bb) New index introduced by Paris Bourse Committee basis 1961=100.

MONEY + EXCHANGES

Adequate credit supply

Bank Rate 5% (Sept. 2, 1971)

Credit was in sufficient supply in the Discount market yesterday for books to be balanced without official intervention. Government *disbursements* outweighed revenue transfers to the Exchequer, but a net Treasury bill take-up and gilt-edged settlements were against the market's favour.

A rate of 4¾ per cent. or 5 per cent. was bid for day-to-day secured loans in the earlier part, but late balances were taken at levels down to 4 per cent., and even 3 per cent.

In the inter-bank market, overnight loans were *around* 5¼-5¾ per cent. in the earlier part, but fell in the late stages to between 3 per cent. and 4 per cent., before a late recovery carried business up *to* 5 per cent. and even 6 per cent. in some cases.

Sept. 29	Sterling certificates of deposit	Inter-bank	Local Authority deposits*	Local Auth. negotiable bonds	Finance house deposits	Inter-company loans	Discount market deposits	Treasury bills Φ	Bank bills Φ	Fine trade bills Φ
Overnight	—	3¾-5	4-5¼	—	—	5⅛-5⅝	3-5	—	—	—
2-days notice	—	—	5¼-5⅛	—	—	5½-5⅝	—	—	—	—
†7-days or 7-days notice	—	5¼-5½	5¼-5⅛	—	5¼-5½	5⅛-5⅝	5-5 1/16	—	—	—
One-month	5 3/16-5 3/16	5⅛-5⅜	5¼-5⅜	5⅜-5⅛	5¼-6 7/16	5½-5¾	5 1/16	4.70-75	4 23/32-4 13/16	—
Two-months	5 5/16-5 7/16	5⅛-5⅜	5¼-5⅜	5 7/16-5 7/16	5¼-5⅜	5⅜-5⅞	—	4.75-75	4 23/32-4 13/16	—
Three-months	5 5/16-5 7/16	5¼-5⅜	5 7/16-5⅝	5 7/16-5 7/16	5 7/16-5⅝	5¾-5⅞	—	4.75-77	4 23/32-4 13/16	5⅛-5⅛
Six-months	5 7/16-5 7/16	5 7/16-5½	5½-5⅝	5 7/16-5¼	5⅜-5⅞	6-6¼	—	—	4 15/16-5⅛	5⅛-5¾
Nine-months	5 9/16-5 11/16	5 9/16-5 9/16	5⅛-5¾	5⅝-5⅜	5⅝-6⅛	6¼-6½	—	—	—	—
One-year	5¾-5⅝	5⅝-5⅞	6 1/16-6⅛	1 11/16-5 7/8	6-6⅝	6½-7	—	—	—	—
Two-years	5⅝-6¼	5¼-6 7/16	5¾-6 13/16	6 1/16-6 5/16	6¾-7	—	—	—	—	—

† Local authorities and finance houses seven-day notice, other seven-days fixed. * Nominal longer term mortgage rates: three years 7¼-7½ per cent., four-years 7½-7¾ per cent., and five-years 7½-7¼ per cent. Φ Bill rate in table are buying rates for prime paper. Buying rate for 4-month bank bills 4 29/32-4 15/16 per cent., and for 4-month trade bills 5¼-5½ per cent. Approximate selling rate for 1-month Treasury bills 4⅝-4 11/16 per cent., for 2-month 4 21/32-4 11/16 per cent., and for 3-month 4 11/16-4 25/32 per cent. One to three month bank bills eligible for re-discount at the Bank of England were quoted for sale in places at 4 27/32-4⅞ per cent., and one to three month trade bills at 5-5¼ per cent.

Finance House Base Rate (published by the Finance Houses Association) 5¾ per cent. from August 2. Clearing banks' deposit rate 3 per cent., and Base Rate for lending 5 per cent.

EXCHANGES AND BULLION

Sterling rose sharply towards the end of the afternoon in London inter-bank dealings, to close at $2.4845-2.4855, against $2.4783-2.4788 on Tuesday. The pound was between about $2.4796 and $2.4815 for much of the day in quiet business, but in the last hour or so went up in dealings which were, however, not heavy. It seemed possible that there was *some* late commercial buying of sterling, while continued uncertainty over international monetary *arrangements* no doubt contributed to the movement. The change in the spot settlement *from September to October* gave the spot pound a boost of about 20 points to start with, and helped to weaken *short-term Euro-dollar* rates. The 3-month pound rose to 1.25 cents premium, the 6-month to 1.35, and the *12-month* to 1.37½. The dollar was generally weaker against major currencies.

Gold was fixed at $42.70 (£17.211) an ounce in London in the morning, and at $42.60 (£17.166) in the afternoon. A moderate business was done, and the closing quotation was $42.55-42.75, for a net loss of 50 cents—a movement offsetting most of the previous day's gain. New sovereigns eased to $10.85-10.95, from Tuesday's $10.85-11.00, and old to $12.90-13.00, from $12.90-13.10, and 20-mark pieces lost $½, at $25-26, but the various Eagles were unchanged. In Zurich, gold ended at $42.65-42.85, down 45 cents on the day. In Paris, the 12½-kilogramme gold bar was fixed at Frs.7,441 a kilogramme ($42.42 an ounce at the financial franc exchange rate) at noon, and at Frs.7,440 ($42.42) in the afternoon. The one kilogramme ingot was fixed at Frs.7,440 ($42.42 an ounce). Turnover at the Bourse *meeting* was Frs.2.5m. Hong Kong *raised gold by 37 U.S. cents an* ounce to $44.34.

EXCHANGE CROSS-RATES

Sept. 29	Frankfurt	New York	Paris (c)	Brussels	London	Amsterdam	Zurich
Frankfurt	—	3.313-314	59.84-88	7.033-035	8.227-229	98.60-62	83.65-67
N. York	30.18-1875	—	18.08-095	2.123-125	2.4840-4849	29.74-76	25.265-270
Paris (c)	166.92-7.16	5.528-530	—	11.768 765	13.725-735	164.60-70	1·9 59 73
Brussels	14 21-23	47.05-10	8.51-52	—	116.76-80	14.01-2	11.88¼-89¼
London	8.21-22	2.48 1/16-⅛	13.71½-72¾	116.80-17.06	—	8.33¼-34¼	9.82¼-83¼
Am'd'm	101.47-52	3.35-36	60.74-79	7.14-145	8.33 336	—	84.81.85
Zurich	119.50-70	3.956-959	71.5-7	8.40-42	9.315-325	117.7-96	—

U.S. $ on Montreal 1.01 1/16-⅛. Canadian $ on New York 0.9902-9905. (c) Commercial.

EURO-CURRENCY INTEREST RATES ◇

Sept. 29	Sterling	U.S. dollar	Canadian dollar	Dutch guilder	W. German mark	Swiss franc
†Short-term	5½-4	5¼-5¾	—	4-5	6-6¾	0-½
7-days' notice	—	5½-6	—	4-5	6-6¾	0-½
Month	4⅝-5⅛	6⅞-7⅜	6⅛-6⅝	5½-6	6⅝-7⅛	¼-1¼
Three-months	5¼-5¾	7⅝-8⅛	6⅞-7⅛	6-6⅜	6⅝-7¼	1-1½
Six-months	6⅜-6⅞	7½-8¼	7-7¼	6¼-6½	6⅝-7⅛	2⅞-3¼
One-year	7⅛-7⅝	7⅝-8⅛	7-7¼	6¼-6⅞	6¾-6⅞	4-4½

Longer-term Eurodollar deposit rates were quoted nominally as follows: two-years 8-8½ per cent., three-years 8¼-8½ per cent., four-years 8¼-8¾ per cent., and five-years 8¼-8¾ per cent.

The following nominal rates were quoted for London dollar certificates of deposit: one-month 7 3/16-7 1/16 per cent., three-months 7 15/16-7 13/16 per cent., six-months 8 1/16-7 15/16 per cent., *one-year 7¾-7⅝ per cent.*

Rates are in some cases nominal.

† Short-term rates are call for Sterling, U.S. dollars and Canadian dollars, and two-days' notice for Guilders, Marks and Swiss francs.

FOREIGN EXCHANGES

Sept. 29 1971	Bank Rate %	Market Rates: Day's Spread	Close
New York	5	[illegible]	[illegible]
Montreal		[illegible]	[illegible]
Amst'dam		[illegible]	[illegible]
†Brussels		[illegible]	[illegible]
Copenh'n		[illegible]	[illegible]
Frankfurt		[illegible]	[illegible]
Φ Lisbon		[illegible]	[illegible]
Madrid		[illegible]	[illegible]
Milan		[illegible]	[illegible]
Oslo		[illegible]	[illegible]
‡ Paris		[illegible]	[illegible]
Stockh'm		[illegible]	[illegible]
Tokyo		[illegible]	[illegible]
Vienna		[illegible]	[illegible]
Zurich		[illegible]	[illegible]

OTHER MARKET RATES

Argentina	[illegible]	Austria	[illegible]
Australia	[illegible]	Argentina	[illegible]
Brazil	13.60-13.70	Austria	[illegible]
Greece	74.10-74.40	Belgium	115-118
H'gKong	14.550-14.614	Brazil	17-19
Luxemb'g	106.60-117.05	France	13.30 13.60
Malaysia	7.3525-7.5400	Germany	8.05-8.30
N.Zealand	2.1357-2.1492	Italy	1505-1550
S.Africa	1.7608-1.7777	Japan	860-890
U.S.— Canada $C1=U.S. cents	99.00-99.05	Neth'rl'n's	8.55-8.85
		Spain	170-172
		Switz'land	9.75-9.95
		U.S.	2.48½-.48¾

‡ Rates quoted by specialist dealers. Other rates may be quoted elsewhere. ◆ Commercial account. Financial rate not available.

FORWARD RATES

—	One month	Three months
New York	⅜-½ c. dis.	1 1/16-1 3/16 c. dis.
Montreal	par-¼ c. dis.	1⅛-1 5/16 c. dis.
Amst'dam	¼ c. pm-¾ dis.	½ c. pm-½ dis.
Brussels	25 c. pm-par	40-10 c. pm.
Copenh'n	par-5 ore dis.	13-18 ore dis.
Frankfurt	¼-1¼ pf. dis.	1½-2½ pf. dis.
Lisbon	15 c. pm-15 dis.	35 c. pm-5 dis.
Milan	4 lire pm-1 dis.	4 lire pm-1 dis.
Oslo	12-2 ore pm	13-3 ore pm
Paris	11-5 c. pm	21-14 c. pm.
Stockh'lm	½-1½ ore dis.	2-3 ore dis.
Vienna	30 gro. pm-10 dis.	60-10 gro. pm
Zurich	5-4 c. pm	12½-11½ c. pm

OVERSEAS SHARE INFORMATION

Investment $ Premium (based on $2.40 per £1) 22¼% (21½%)

NEW YORK

Stock	Sept. 29	Sept. 28
Crane	44	44
Creole	32	22
Crowell Collier	10	9¾
Ling-T'mco-V'ght	11¼	11¼
Litton Indus.	26⅛	25⅞
Lockheed Aircr.	9⅞	9⅞
Sterling Drugs	45¼	46¼
Studebaker	53½	55
Sun Oil	55⅛	55¼
Sundstrand	27⅛	27
Crocker Nat. C.P.	31½	32
Dividend Shares	†3.72	†3.72
1st Nat. Boston	56⅝	56¼
Fst. Nat. City Cpn	37	36¼

GERMANY

Sept. 29	Price Dm	+ or −	Div. %	Yld. %
6% Fed. Loan (1977)	91¼		6	6.6
A.E.G. Dm.(50)	153		16	5.3
Allianz V'rs Dm50	380	−4	12	1.6
Audi NSU (Dm50)	141.5	−2.5	y—	—
B.M.W. (Dm50)	†163	+3	12	3.7
BadAnilin(Dm50)	132	+1.5	22	—
Bayer (Dm50)	131	+2.5	16	6.1
BayHypo'n Dm50	347	+1	20	2.9
BayVereb'k Dm50	292	+1	20	3.5

PARIS

Sept. 29	Prices Frs.	+ or −	Div. Frs.	Yld. %
Rentes 3½pc 1952	169.3	−0.4	3.5	2.0
Air Liquide	366	−4	10.23	2.8
Aquitaine	586	−1	13.64	2.3
Banque Ind. Chine	279	−1	9.09	3.2
Reghin	143	−4	7.39	5.2
Bousseols Souchon	1,031	−24	21.59	2.1
Charter Cons.	27.1	−1.6	g32	4.0
Chargeurs Reunis	201.7	−0.1	9.09	4.5

MILAN

Sept. 29	Price Lire	+ or −	Div. Lire	Yld. %
Alitalia Priv.	9,765	−25	—	—
ANIC	775.5	+7.5	50	6.5
Bastogi	2,132	+77	85	3.9
Breda	5,575	−15	165	2.9
Burgo	7,650	−50	315	4.1
Cantoni	9,204	+54	320	3.5
CIGA	4,950	+19	100	2.0
Cucirini	4,430	−20	300	6.7

AUSTRALIA

Sept. 29	Aus $	
Acrow Australia	†1.45	—
Adelaide Brighton Cem't 50c	1.40-1.45	—
Alliance Exploration	0.10-0.12	−0.0
Ampol Exploration	0.90-1.0	−0.1
Ampol Petroleum	†0.57	+0.8
Assoc. Minerals	4.0-4.40	−0.2
Assoc. Portland Cement	†0.88	
Assoc. Pulp Paper ($1)	1.08-1.10	
AUSIMM	†1.04	

TORONTO · MONTREAL · PUBLIC UTILITIES · TRUSTS, BANKS & BONDS · AMSTERDAM · BRUSSELS · SWITZERLAND · OSLO · VIENNA · TOKYO · STOCKHOLM · COPENHAGEN · JOHANNESBURG

NOTES: Belgian dividends are shown after withholding tax.

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STOCK EXCHANGE REPORT

Equities sustain small losses but close above worst

Index down 3.8 at 413.7—Coppers prominent in mining falls

ACCOUNT DEALING DATES

*First Dealings	Option Declarations	Last Dealings	Account Day
Sept. 20	Sept. 30	Oct. 1	Oct. 12
Oct. 4	Oct. 14	Oct. 15	Oct. 26
Oct. 18	Oct. 28	Oct. 29	Nov. 9

* "New time" dealings may take place from 5 p.m. three business days earlier.

London stock markets continued hesitant yesterday following Press comment on Mr. Barber's speech given at the annual IMF meeting. Buyers found little in it to induce them back into the market, but selling remained small. The outcome was further small losses in the leading equities, mainly as the result of lack of support, but there was no worsening of the tone and, in fact, some "cheap" buyers were about in the later trading. The Jewish holiday was a factor in the quieter trade. The Financial Times Industrial Ordinary share index closed 3.8 down at 413.7, having been down to 413.0 in the early afternoon.

Movements in second-line equities were again very mixed, but with falls in the majority as reflected in the ratio of falls-to-rises in all F.T.-quoted Industrials of 5—2, not much altered from 11—4 on Tuesday. Bargains marked, however, were more than 1,000 down at 11,977. The Mining sections remained dull with Copper shares prominently so on the fall in the price of the metal. The F.T.-Actuaries Copper index lost 5½ per cent. at 253.97. The main F.T.-Actuaries indices showed fresh losses of up to 1 per cent. as in the Industrial Group at 171.12.

Gilts steady

British Funds behaved very well yesterday with prices of long-dated issues showing virtually no further falls after Tuesday's mild setback on Mr. Barber's remarks about the U.K.'s payments prospects. After their recent huge rises and the lower overnight trend, prices at this end of the market opened about ¼ easier, but the lower levels attracted "cheap" buying and opening losses were usually regained during the course of a fair turnover. The long "tap" stock, Treasury 8¼ per cent., ended ¼ up on the day at 97½, or ⅜ below the official price. The mediums showed further falls of ⅛ or ¼, but short-dated and undated issues closed barely changed on balance.

Short Corporation loans held steady to firm in a good two-way business, but the main Corporations were generally quiet ahead of to-day's start of dealings in the £10m. Birmingham 8 per cent. loan which is expected to open at a premium of about ½ on the issue price of £100, £10 paid.

ICFC 10 per cent. "B" gained 1½ to 108.

Inactive conditions in the investment dollar market left the premium unaltered at 22¾ per cent. Mirroring the easier trend in Canadian markets overnight, Hudson's Bay fell 30p more to 875p.

Insurances flat

Insurances turned flat on meeting a fair amount of selling and closed with quite substantial falls. Phoenix moved ahead well to a 1971 peak of 290p, but came back sharply to end 8p down on the day at 268p following the interim results. Eagle Star dipped 12p to 470p and "Royals" 10p to 412p, while Pearl, 296p, and Commercial Union, 446p, were both about 8p down. Leslie and Godwin were prominently lower in Lloyds brokers with a loss of 42p to 375p on disappointment with the interim report. C. T. Bowring declined 13p to 485p. Home Banks eased a little in idle trading, but Overseas issues provided a firm spot in Israel-British, 10p up at 210p. Leopold Joseph were a firm exception at 275p, up 5p, in dull Merchant Banks. Discount Houses eased in places, while UDT were particularly dull in Hire Purchases at 208p, down 9p.

Watney Mann weakened afresh to 148p before rallying to close unchanged at 152p. Other leading Breweries showed falls of about 5p with some of the smaller issues losing 10p. Distillers marked at 154p but closed only 1p off at 157p, while IDV shed 3p to 67p ahead of to-day's results. Macallan Glenlivet, also due to report results to-day, hardened 1p more to 153p, while buyers came for Williams and Humbert which, in a thin market, rose 10p to 82p.

Despite a further rise in construction orders in July, Building issues were generally easier. Associated Portland Cement fell 6½p to 372½p, while falls of 8p and 9p respectively were seen in W. C. French "A," 300p, and Drury Holdings, 73p. S. Miller were notably dull at 14½p, down 4½p, on the lack of an interim dividend and the sharply lower half-year profits. On the other hand, Southern Construction picked up 4½p more at 31p on the exploratory bid talks with J. Mowlem which held steady at 113p.

Following a reasonable day's business ICI ended 5p off at 312p, after 310p. Willows Francis eased 3p to 67p ahead of to-day's preliminary results.

Philips' Lamp higher

Electricals eased again, although Philips' Lamp rallied a further 35p to 545p on Amsterdam advices. Reyrolle Parsons were lowered 7p to 119p on BSC's threat to close the River Don heavy forgings press works, but GEC were little affected by the news and closed unaltered on the day at 151p after earlier small fluctuations. Plessey eased to 125p, but rallied to close unchanged at 127p following the full report. Elsewhere, BSR reacted 6p to 418p and Decca 10p to 208p.

Leading Stores moved narrowly and closed little changed. Marks and Spencer eased 2p to 315p, while "Gussies" "A" shed 3p to 427p. Empire Stores regained 7p of Tuesday's fall of 15p at 330p, while Grattan Warehouses a weak market of late, rallied 8p to 250p; the latter's interim results are due soon.

In Shoes, rises of 2½p were seen in Stylo, 49p, and Hiltons Footwear, 96p, the latter in response to the half-yearly profits.

Engineerings experienced renewed easiness with the emphasis swinging away from first-line stocks. T. W. Ward were a notable 17p down at 338p, Hattersley Stelrad fell 12p to 220p and Weir Group came back 6p to 57½p. In front of their respective interim results, Morgan Crucible lost 3p to 117p, Delta Metal 4p to 101p and Woodall-Duckham 2p to 89p.

Ransome Hoffman weakened further to 77p on the redundancy news before picking up to close 2p down at 83p. Of the few firm spots, Hoskins and Horton rose 6p to 56p on the sharply increased first-half profits. Adwest, 7p higher at 179p, responded further to the record figures and higher dividend, while Amari continued to benefit from a demand, partly speculative, inspired by recent Press comment and gained 6p at 80p.

Rockware rise

Encouraged by the higher dividend forecast, Rockware gained 6p to 70p. Rank Organisation issues recovered some recent lost ground with the "A" rallying 18p to 794. Beautility, in response to an investment recommendation, advanced 5p to 127p. Yatton declined ½p to 6½p on the chairman's gloomy statement at the annual meeting. Lyon and Lyon lost another 2p to 28p, still on the setback in the first half-year's profits, while Doulton declined 4½p to 64p on disappointment with the interim results and, for a similar reason, Lamson Industries reacted 3½p to 85p. Bury and Masco shed 2p to 58p, in spite of the proposed capital repayment and dividend forecast, while Tissus Michels lost 2p to 22½p after the results.

There were fresh losses in leading issues with Beecham falling 8p to 317p and Boots losing 5p to 214p. Benson International came on offer and gave up 13p to 125p on lack of buyers. Paterson Zochonis, however, put on 25p to 335p, while Hay's Wharf rose 15p to 350p. Goblin (BVC) were firm at 51p, up 7p, and Steel Bros. gained 12p at 145p.

Following Press comment and Tuesday's rise of 50p on the interim figures, Rowntree Mackintosh picked up 10p more before easing back to close unchanged on balance at 620p. Watson and Philip dipped to 115p on a sell recommendation before rallying to close 1½p down on balance at 118½p. Also dull were Hazlewoods a further 5p off at 50p. In Supermarkets, Kwik-Save rose 5p to 240p and Pricerite 2p to 41p; the latter's interim results are expected on Friday.

J. Lyons "A" advanced 8p to 550p, while Isle of Man Holiday Centre attracted interest and jumped 10p to 35p following news that Mr. K. C. Nicholson, formerly a director of Kwik-Save, had purchased a one-third share in the company's equity.

Demand for British Leyland increased in the later trading and the price closed 1½p up at the day's best of 47p. Lotus, however, were dull at 62p, down 4p. Commercial Vehicles were featured by a revival in Dennis Motor, 6p higher at 111p while Components to improve included Lucas, 287p, and Turner Manufacturing, 84p, both 3p better. After touching 132p, Dunlop ended 2p off at 134p. In Garages, T. C. Harrison were particularly notable, rising 10p to 85p; the interim results are due on October 12. Pride and Clarke, at 118p, made a similar gain in a small market, but Jessups fell 4p to 21p.

Properties were quieter and often a little easier. Great Portland lost 5p to 275p, while both Lawdon, 69p, and Artagen, 124p, were around 4p down. Fresh selling lowered Star (Great Britain) 3p more to 196½p, but on news of the increased house sales, North British added 3p at 170p. Still reflecting the impressive results and proposed scrip issue, Greensitt and Barratt gained 4p further to 110p. British Land hardened slightly to 134½p following the peak profits and higher dividend.

In Papers, DRG moved down 7p further to 114p, after the reduced interim figures and warning about second-half prospects. Helped again by the good first-half achievement, Universal Printers rose 10p to 270p on similar news. United Newspapers spurted 15p to 265p.

Leading Oils closed on a firm note helped partly by the announcement that British Petroleum may build a £10m. oil refinery on the east coast of Scotland. BP finally gained 4p at 618p, after 620p, and Burmah improved the turn to 436p. U.S. influences brought about a good recovery in Royal Dutch, ¼ better at £19⅝, while Shell closed unaltered at 354p.

The easier trend continued in Trusts, with Wood Hall losing 4p at 97p and Altifund Capital 10p at 224p. Triumph Investment, however, were notably better at 183p, up 7p, following news of Slater Walker's purchase of shares in the company. Triplevest Capital recovered 9p to 284p following the previous day's 23p fall.

Diploma Invs. up

Among Financials, Diploma Investments were a firm feature with a rise of 12p to 162p on the substantially better-than-forecast results. Industrial Finance and Investment closed 2p better at 142p on the increased profits and dividend. Drakes, on the other hand, came back on end-Account selling to end 14p down at 218p.

In Textiles, Courtaulds came back to 119p before ending 3p down at 121p. On the chairman's remarks at the annual general meeting about the "very bad" start to the current year, Wm. Reed fell 4p more to 36p. Reliance Hosiery rose another 5p to 80p, while Emu Wool improved 2p to 54p on the sharply increased profits and dividend and F. Miller put on 3p to 100p on the encouraging half-yearly results.

In Tobaccos, "Bats," at 322p, picked up 5p of Tuesday's loss of 12p.

Plantations held quietly steady, although Ceylon Tea at 175p, added 3p to Tuesday's 9p rise.

Mines dull again

It was another dull day in Mining share markets where business was subdued to some extent by the Jewish holiday. Against the background of depressed base-metal prices, notably copper, Mining Finance issues often reached new lows for the year.

Among the losses, "Johnnies" retreated ¾ further to £11 while Anglo-Vaal were 30p down at 640p and Selection Trust suffered a similar fall at 665p. De Beers dropped 8p to a new low for the year of 178p.

Scattered losses of a few pence were seen in Golds. Exceptionally, Vaal Reefs rallied 5p to 440p; the proposed rights issue terms are due at any time now. West Wits held at 700p following the terms of the merger with Gold Fields of South Africa.

Copper shares continued to reflect the weakness in the metal price. Palabora dropped 30p to 370p, Roan Consolidated Mines lost 15p to 175p and Messina were another 8p down at 214p. Tins, on the other hand, remained fully steady and Amalgamated Tin gained 3p to 20p on news of the receipt in London of the company's buffer stock repayment.

Australians made another uninspiring showing although losses were slight, apart from a fall of 25p to a new 1971 low of 725p in Poseidon. Elsewhere, Consolidated Murchison eased 5p to a year's low of 240p.

FINANCIAL TIMES STOCK INDICES

—	Sept. 29	Sept. 28	Sept. 27	Sept. 24	Sept. 23	Sept. 22	A Year ago
Government Sec.	78.87	78.94	79.30	78.78	78.36	78.00	70.83
Fixed Interest	78.36	78.39	78.48	78.28	77.66	77.44	72.84
Industrial Ordinary*	413.7	417.5	420.1	427.5	430.0	424.6	365.6
Gold Mines	47.7	47.9	48.5	48.7	48.5	48.7	49.3
Ord. Div. Yield pc	3.76	3.71	3.69	3.63	3.59	3.63	4.59
Earnings Yield pc (a)	5.88	5.82	5.78	5.69	5.66	5.72	6.34
P.E. Ratio (a)	17.01	17.17	17.30	17.57	17.67	17.49	15.78
Dealings Marked	11,977	13,116	12,714	11,677	10,440	10,436	9,823

*10 a.m. 417.2 11 a.m. 416.9 Noon 415.5 1 p.m. 413.0 2 p.m. 413.0 3 p.m. 413.2

(a) Based on 40% corp. tax from March 30, 1971. Latest Index 01-246 8026

HIGHS AND LOWS

—	1971 High	1971 Low	Since Compilation High	Since Compilation Low
Govt. Secs.	79.30 (27/9/71)	68.83 (4/1/71)	127.4 (9/1/35)	64.21 (11/6/69)
Fixed Int.	78.48 (27/9/71)	69.63 (4/1/71)	150.0 (28/11/47)	67.12 (11/6/69)
Ind. Ord.	430.8 (7/9/71)	305.3 (3/3/71)	521.9 (19/9/68)	49.4 (26/6/40)
Gold Mines	61.8 (18/3/71)	47.9 (31/8/71)	100.0 (12/9/55)	44.0 (13/1/70)

S.E. ACTIVITY

—	Sept. 29	Sept. 28
Daily—		
Gilt-Edged	221.4	284.7
Industrials	427.9	457.9
Speculative	186.2	197.0
Totals	272.6	298.6
5-day ave—		
Gilt-Edged	236.6	329.0
Industrials	425.0	414.2
Speculative	161.3	148.1
Totals	272.8	265.8

Basis 100 Govt. Secs. 15/10/26. Fixed Int. 1928. Ind. Ord. 1/7/35. Gold Mines 12/9/55. S.E. Activity July-Dec. 1942.

AUTHORISED UNIT TRUSTS (p★★★)

				§ Yield %
(a) (g) Abacus Management 26, Pall Mall, Manchester 2. (061) 832.5037				
Giants	37.0	39.8	—0.2	5.00
Growth Units	30.5	32.5	—0.2	3.00
Income Units	30.4	32.4	—0.2	7.00
Allied Hambro Group				
(a) (b) (c) Equity & Law Un Tr M Amersham Rd., High Wycombe, Bucks. Tel. High Wycombe 32815.				
Equity & Law Unit	47.7	50.2xd	—0.4	2.56
Family Fund Managers Ltd. 16, Coleman Street, London, E.C.2.				
(a) Mallet & Wedderburn Ltd. 32, Lombard Street, E.C.3. 01-536 1091				
(b) Overseas Units	25.3	26.9	—0.3	1.85
Minster Fund Managers Ltd. Minster House, E.C.4. Phone 623 1050				
Minster Fd Sept 20	41.8	43.8	......	5.06
J. Henry Schroder Wagg & Co. Ltd. 120, Cheapside, E.C.2. 01-588 4000				
Capital (Sept. 28)	106.6	109.3	......	1.81
(Accum. Units)	110.9	113.7	......	1.81
Income (Sept. 28)	116.9	119.8	......	4.65
Accum. Units	126.8	129.5	......	4.55
General (Sept. 29)	62.9	64.8	—1.1	2.25

OFFSHORE AND OVERSEAS FUNDS (p★★★)

				§ Yield %
Albany Management Co. Ltd. Utility Hs. PO Box 463, Hamilton, Bermuda				
Albany Fund Ltd.	£5.02	£5.41	......	1.00
American Express Inv. Mngmt. Co. 154, Edward St., Brighton, U.K. BRI 685411				
Am Ex'ss Int. Fd.	$8.95	9.53	+0.04	—
Anchusa Co. Ltd. P.O. Box 195, Hamilton, Bermuda.				
Japan Gwth. Fnd.	US$9.77	10.56	+0.55	—
Do. Do. Stg. Trt.	89.0	95.0	+3.0	—
Australian Selection Fund N.V. Lond. Agent Southern Cross Mgmnt., Ltd. 65, London Wall, E.C.2. 01-638 0801				
U.S. $10 Shares	US$6.60		......	—
Next subscription day Sept. 30.				
Banque de l'Union Parisienne 6-8 Bld. Haussmann, Paris 9e.				
Tokyo Valor	$11.79		+0.25	2.49
Bk. of London and S. America Ltd. 40-66, Queen Victoria St., E.C.4. 01-248 9822				
Alexander Fund	US$9.48		......	—
Haussmann Hldgs.	US$9.269		......	—
Eurosyndicat Group				
Eurunion Lux F.	1,755	1,825	—2	3.46
Finance Union Lux F.	479	498	—2	3.41
For Sterling Dealing Prices contact London Agents N. M. Rothschild & Sons, Ltd. 626 4356. Hill Samuel & Co. Ltd. 628 8011.				
Fidelity Managmt. & Research Co. Boston Massachusetts.				
Fidelity Trend	$24.14	26.38	+0.06	2.31
Do. Capital Fd.	$12.05	13.18	+0.02	2.65
Fidelity Mangmt. & Research (Bermuda) Limited				
Fidelity Int. Fnd.	$14.27		......	—
Fidelity P'cfic Fd.	$11.13		......	—
For additional information contact Julius Baer International Ltd. 39, Mincing Lane, E.C.3. 01-626 5182				
First Investor & Savers Vln. Agts. 15-16, America Square, E.C.3. 01-488 4511				
Aus. Ld & Prop. Fd.	B$9.72		......	—
Net asset value, June 30.				
First Inv. Am. Trt.	US$8.84		......	—
Net asset value Sept. 24.				
F.I. Int. Mng Pct.	US$9.06		......	—
Jardine Fleming & Co. Ltd. 22, Pedder Street, Hong Kong.				
Jardine East'n Fd†	HK$130.48		......	3.07
NAV Aug. 31. Next sub. day Sept. 30.				
Jardine Japan F.	HK$131.84		......	1.52
NAV Aug. 31. Equiv. $U.S.22.35 ExSPm. Next sub. day Sept. 30.				
Save & Prosper Distributors Ltd. P.O. Box 1434, Hamilton, Bermuda.				
Dollar Fund	£4.87	5.32	......	—
Hampstead	£6.23	6.81	......	—
‡ Monitor	£4.45	4.86	—0.15	—
S. & P.J.J.F.	US$12.71	13.89	......	—
Sterling Fund	£4.55	4.97	......	—
Prices on Sept. 27. Next dealing Oct. 4. ‡ Prices on Sept. 29. Next dealing Oct. 7.				

INSURANCE, PROPERTY, BONDS

STOCK EXCHANGE DEALINGS from the Official List for Sept. 29

Wednesday, September 29	11,977	Monday, September 27	12,7[illegible]
Tuesday, September 28	13,118	Friday, September 24	11,67[illegible]
Thursday, September 23	10,440	Wednesday, September 22	10,436

The list below gives the prices at which bargains done yesterday by members of the London Stock Exchange were recorded in the Stock Exchange Daily Official List. Members are not obliged to mark bargains except in special cases, and the list cannot, therefore, be regarded as a complete record of prices at which business was done.

Bargains are recorded in the Official List up to 2.15 p.m. only, but later transactions can be included in the following day's Official List. No indication is available as to whether a bargain represents a sale or purchase by members of the public. Markings are not necessarily in order of execution, and only one bargain in any one security at any one price is recorded.

The number of dealings marked in each section follows the name of the section. Unless otherwise denoted shares are £1 fully paid and stock £100 fully paid. Stock Exchange securities are quoted in pounds and fractions of pounds or in new pence and fractions of new pence.

‡ Bargains at Special Prices. Δ Bargains done with or between non-members. Φ Bargains done previous day. ■ Bargains done with members of a recognised Stock Exchange. ♣ Bargains done for delayed delivery or "no buying-in." $A—$Australian; $B—$Bahamian; $C—$Canadian; $HK—$Hong Kong; $J—$Jamaican; $Ma—$Malayan; $Mc—$Mexican; $NZ—$New Zealand; $S—$Singapore; $US—$United States; $WI—$West Indian.

F.T.—ACTUARIES SHARE INDICES

These indices are the joint compilation of The Financial Times, The Institute of Actuaries and the Faculty of Actuaries in Edinburgh

	EQUITY GROUPS — GROUPS & SUB-SECTIONS (Figures in parentheses after sectional names show number of stocks)	Wed. Sept. 29, 1971 Index No.	Day's Change %	With 40% Corporation Tax Est. Earnings yield %	Est. Price Earnings Ratio	Div. yield %	Tues. Sept. 28 Index No.	Monday Sept. 27 Index No.	Friday Sept. 24 Index No.	Thurs. Sept. 23 Index No.	Year ago (approx.) Index No.	1971 High	1971 Low	Since compilation High	Since compilation Low
1	CAPITAL GOODS GROUP (184)	156.70	−0.9	6.03	16.58	3.81	158.05	159.10	160.89	161.00	127.02	162.00 (14/8)	103.03 (8/3)	181.50 (19/9/68)	82.82 (25/6/68)
2	Aircraft and Components (3)	115.77	−0.5	7.10	14.07	5.39	116.38	118.52	121.21	119.68	111.16	124.11 (7/9)	66.40 (3/3)	260.12 (23/9/68)	66.40 (3/3/71)
3	Building Materials (29)	163.59	−0.9	4.82	20.74	3.32	165.14	165.64	166.88	166.09	107.82	166.88 (24/9)	98.30 (2/3)	167.98 (20/9/68)	85.01 (25/6/62)
4	Contracting and Construction (20)	262.52	−0.5	6.31	18.83	2.34	263.79	263.67	266.59	266.43	196.81	269.85 (20/9)	152.63 (26/3)	269.85 (20/9/71)	84.39 (27/6/62)
5	Electrls. (ex. Electrn. Rad. & TV) (13)	275.70	−0.2	5.15	19.43	3.00	276.23	277.09	282.22	283.81	219.10	286.23 (10/9)	174.25 (2/3)	335.11 (17/9/63)	84.71 (25/6/62)
6	Engineering (79)	139.43	−1.2	6.87	14.56	4.48	141.19	142.53	144.35	144.79	122.02	149.28 (22/7)	102.56 (2/3)	160.85 (19/9/66)	82.90 (25/6/62)
7	Machine Tools (15)	63.63	−0.2	7.61	13.14	6.30	63.76	64.04	64.45	64.45	68.69	68.30 (12/8)	43.86 (5/3)	136.70 (4/7/66)	43.86 (5/3/71)
8	Miscellaneous (25)	131.02	−1.3	7.72	12.96	4.41	132.71	134.81	134.66	134.90	118.26	136.20 (14/9)	94.19 (2/3)	144.27 (31/1/69)	69.01 (8/11/65)
9	CONSUMER GOODS (DURABLE) GROUP (56)	180.08	−1.1	4.78	20.90	2.89	182.09	182.77	183.94	185.09	142.15	185.09 (23/9)	117.33 (2/3)	197.87 (15/1/69)	79.96 (25/6/62)
10	Electronics, Radio and TV (14)	192.20	−1.7	5.00	20.01	2.28	195.43	196.36	198.47	199.14	159.43	199.14 (23/9)	128.51 (2/3)	199.86 (19/9/68)	71.10 (6/11/66)
11	Household Goods (15)	201.98	−0.6	5.83	17.14	3.30	203.21	204.47	204.84	205.67	131.96	205.67 (23/9)	115.92 (8/3)	205.67 (23/9/71)	86.65 (25/6/62)
12	Motors and Distributors (27)	121.10	−0.6	4.20	23.79	3.52	121.78	121.99	122.27	123.57	94.46	123.57 (23/9)	78.91 (2/2)	170.59 (15/1/69)	75.92 (24/10/62)
13	CONSUMER GOODS (NON-DURABLE) GROUP (175)	166.53	−1.0	5.43	18.41	3.67	168.16	169.75	171.93	171.93	123.77	172.37 (14/9)	118.17 (3/4)	172.37 (14/9/71)	83.71 (8/11/66)
14	Breweries (21)	192.75	−3.0	5.22	19.15	3.34	198.73	201.97	204.59	203.40	131.08	205.23 (14/8)	123.30 (4/1)	205.23 (14/9/71)	80.39 (30/2/62)
15	Wines and Spirits (7)	172.55	−2.1	6.05	16.54	4.06	176.28	179.82	181.81	180.70	142.18	196.05 (14/7)	142.41 (4/1)	196.05 (14/7/71)	118.78 (15/6/70)
16	Entertainment and Catering (15)	217.21	+1.0	6.71	14.90	3.56	214.99	218.18	220.05	219.13	179.75	225.01 (30/9)	177.99	231.89 (21/1/69)	80.11 (23/7/62)
17	Food Manufacturing (24)	146.29	—	5.46	18.31	3.70	146.34	145.72	148.06	148.39	110.38	149.88 (14/9)	99.74 (2/3)	171.54 (31/1/69)	95.98 (15/6/70)
18	Food Retailing (17)	156.99	−0.3	5.01	19.94	3.24	157.43	158.82	159.76	160.89	108.05	160.89 (23/9)	100.23 (2/3)	163.68 (7/3/65)	94.62 (27/5/70)
19	Newspapers and Publishing (15)	152.24	+0.8	5.70	17.55	4.62	151.03	151.66	152.16	152.77	106.62	152.77 (23/9)	101.66 (13/1)	184.86 (28/1/69)	81.74 (23/7/62)
20	Packaging and Paper (16)	114.97	−1.2	6.71	14.90	4.51	116.36	118.16	119.29	120.17	110.27	125.27 (8/9)	88.81 (2/3)	134.63 (2/1/69)	87.91 (25/6/62)
21	Stores (30)	160.81	−0.8	4.24	23.61	2.92	161.89	162.36	164.88	164.76	108.24	164.88 (24/9)	104.48 (2/3)	164.88 (24/9/71)	72.74 (8/11/66)
22	Textiles (21)	172.63	−1.1	5.73	17.46	5.23	174.55	176.70	180.37	181.43	146.04	183.27 (7/9)	137.81 (2/3)	253.72 (17/9/68)	89.90 (20/7/62)
23	Tobacco (3)	220.09	−0.4	9.92	10.08	6.00	221.02	225.94	230.16	231.21	190.79	254.47 (27/7)	170.92 (20/1)	306.02 (30/1/69)	94.34 (15/6/62)
24	Toys and Games (6)	45.86	−1.0	0.87	114.98	3.26	46.32	45.85	45.74	45.67	54.92	69.03 (12/1)	44.90 (9/9)	135.72 (16/1/70)	44.90 (9/9/71)
	OTHER GROUPS														
25	Chemicals (19)	187.09	−1.8	5.35	18.68	3.48	190.58	191.26	193.98	196.38	152.06	200.29 (7/9)	138.18 (10/2)	201.92 (31/1/69)	83.29 (25/6/62)
26	Office Equipment (10)	190.07	+0.1	3.48	28.70	1.57	189.84	193.65	197.30	197.71	151.55	212.06 (16/7)	153.52 (1/2)	212.06 (16/7/71)	109.12 (26/5/70)
27	Shipping (10)	317.02	—	8.39	11.92	5.21	317.01	319.77	323.61	324.75	339.16	332.60 (7/9)	269.76 (16/4)	355.44 (9/10/70)	90.80 (29/6/62)
28	Miscellaneous (unclassified) (44)	191.34	−0.5	5.61	17.83	3.60	192.39	193.36	194.58	194.79	135.52	194.79 (23/9)	128.55 (2/3)	194.79 (23/9/71)	76.52 (8/11/66)
29	INDUSTRIAL GROUP (498 SHARES)	171.12	−1.0	5.48	18.23	3.55	172.81	174.13	174.19	176.61	—	176.61 (14/9)	120.61 (2/3)	176.61 (14/9/71)	120.61 (2/3/71)
30	Oil (2)	330.50	+0.2	6.13	16.33	3.79	329.80	333.00	335.20	334.52	278.84	363.50 (27/7)	260.74 (2/3)	431.66 (29/5/68)	87.23 (28/5/62)
31	500 SHARE INDEX	184.74	−0.8	5.58	17.93	3.59	186.24	187.72	189.88	190.14	144.98	190.63 (7/9)	132.46 (2/3)	193.75 (31/1/69)	84.86 (26/6/62)
32	FINANCIAL GROUP (121)	175.28	−0.9	—	—	2.74	176.81	178.30	178.49	177.72	119.93	178.49 (24/9)	119.73 (10/2)	178.49 (24/9/71)	69.38 (30/8/65)
33	Banks (6)	175.26	—	7.87	12.70	2.90	175.21	175.05	175.13	173.96	107.21	189.94 (27/7)	101.65 (6/1)	189.94 (27/7/71)	69.25 (16/6/64)
34	Discount Houses (6)	184.38	−0.9	—	—	4.19	186.04	183.50	183.50	181.30	126.57	186.04 (28/9)	130.72 (16/1)	186.04 (28/9/71)	87.65 (18/6/69)
35	Hire Purchase (6)	282.26	−0.8	4.51	22.18	2.68	284.58	287.63	292.48	292.30	193.73	306.24 (8/9)	188.57 (18/1)	306.24 (8/9/71)	80.02 (3/8/65)
36	Insurance (Life) (9)	165.79	−1.6	—	—	2.61	168.45	170.31	169.51	169.11	124.34	170.47 (20/9)	123.16 (18/1)	170.47 (20/9/71)	61.35 (30/3/66)
37	Insurance (Composite) (9)	136.36	−2.1	—	—	3.16	139.27	140.75	140.37	140.87	87.70	140.87 (23/9)	89.80 (10/2)	140.87 (23/9/71)	54.40 (18/3/65)
38	Insurance (Brokers) (11)	180.00	−3.2	4.91	20.36	2.54	185.87	187.55	186.86	185.76	111.42	187.56 (27/9)	118.27 (4/1)	187.86 (27/9/71)	88.59 (24/7/69)
39	Investment Trusts (20)	194.18	−0.3	2.93	34.12	2.73	194.76	197.72	198.88	198.29	162.61	202.33 (8/9)	152.16 (2/3)	215.04 (31/1/69)	80.84 (26/6/62)
40	Merchant Banks, Issuing Houses (14)	180.74	−1.2	—	—	2.14	182.96	185.72	187.24	185.93	123.30	187.24 (24/8)	108.44 (16/3)	187.24 (24/9/71)	60.47 (15/7/65)
41	Property (31)	224.56	−0.1	2.73	36.69	2.20	224.71	226.44	226.40	224.69	151.10	226.72 (25/8)	139.37 (8/3)	226.72 (25/8/71)	56.01 (20/4/65)
42	Miscellaneous (9)	183.43	+0.8	5.61	17.81	4.05	182.00	183.66	184.96	183.98	—	184.96 (24/9)	120.75 (4/1)	184.96 (24/9/71)	120.06 (31/12/70)
43	ALL-SHARE INDEX (621 SHARES)	182.29	−0.8	—	—	3.58	183.80	185.28	186.94	186.9-	138.70	187.32 (7/9)	129.47 (2/3)	187.32 (7/9/71)	83.72 (25/6/62)
	COMMODITY SHARE GROUPS (Not included in the 500 or All-Share indices)														
44	Rubbers (10)	230.04	—	9.89	10.12	7.79	229.96	230.14	231.10	232.19	143.64	234.97 (21/9)	163.62 (7/4)	234.97 (21/9/71)	84.68 (25/8/60)
45	Teas (10)	97.68	+0.7	16.68	5.99	9.17	96.97	96.76	96.09	96.02	75.01	97.68 (29/9)	78.71 (3/3)	114.64 (14/5/64)	59.96 (14/11/66)
46	Coppers (4)	253.97	−5.5	69.90	1.43	19.46	268.85	275.51	283.39	309.27	285.33	350.50 (12/1)	235.80 (21/1)	350.50 (12/1/71)	94.08 (29/4/68)
47	Mining Finance (11)	83.21	−1.1	6.80	14.70	3.99	84.17	87.12	89.06	91.00	124.32	105.79 (7/7)	83.21 (29/9)	175.90 (28/4/69)	83.21 (29/9/71)
48	Tins (8)	70.79	—	11.21	8.92	8.68	70.79	70.82	70.60	70.52	63.16	74.77 (20/7)	62.11 (4/1)	108.97 (29/5/68)	54.83 (27/5/70)

	FIXED INTEREST	Wed., Sept. 29 Index No.	Yield	Tues. Sept. 28	Monday Sept. 27	Friday Sept. 24	Thurs. Sept. 23	Wed. Sept. 22	Tues. Sept. 21	Year ago (approx.)	1971 High	1971 Low	Since Compilation High	Since Compilation Low
1	Consols 2½% yield	—	8.57	8.57	8.49	8.60	8.67	8.77	8.82	9.25	—	—	—	—
2	20-yr. Govt. Stocks (6)	85.68	‡7.80	85.78	86.32	84.99	84.29	*83.29	*83.27	74.29	86.32 (7/9)	70.60 (4/1)	115.43 (11/9/63)	68.43 (15/6/70)
3	20-yr. Red. Debentures & Loans (15)	78.45	‡9.36	78.35	78.32	77.81	77.46	*76.69	*77.07	74.84	78.45 (9/9)	68.42 (4/1)	113.43 (23/10/63)	66.59 (16/6/70)
4	Investment Trusts Prefs. (15)	74.60	9.90	74.60	73.93	73.83	73.83	72.84	72.80	70.52	74.60 (8/9)	66.23 (11/1)	114.41 (13/9/65)	66.23 (11/1/71)
5	Commercial and Industl. Prefs. (20)	80.57	9.58	79.86	79.45	79.19	78.46	77.95	77.94	72.47	80.57 (9/9)	69.02 (13/1)	114.41 (7/10/65)	69.02 (15/1/71)

Section or Group	Base Date	Base Value
Food Manufacturing	29/12/67	114.13
Food Retailing	29/12/67	114.13
Insurance Brokers	29/12/67	96.67
Mining Finance	29/12/67	100.00
Wines and Spirits	16/1/70	144.76
Toys and Games	16/1/70	135.72
Office Equipment	16/1/70	162.74
Industrial Group	31/12/70	128.20
Miscellaneous Financial	31/12/70	128.06
All Other	10/4/62	100.00

‡ Redemption yield.

F.T.-Actuaries indices are calculated by Extel-Communications Limited (a member of the Exchange Telegraph Group) on an IBM 360 computer.

A current list of constituents of the F.T.-Actuaries Share Indices can be obtained from the Publisher, the Financial Times, Bracken House, Cannon Street, London, EC4P 4BY, price 13p. By post inland 16p. Commonwealth 16p. Foreign 19p.

LEADERS AND LAGGARDS

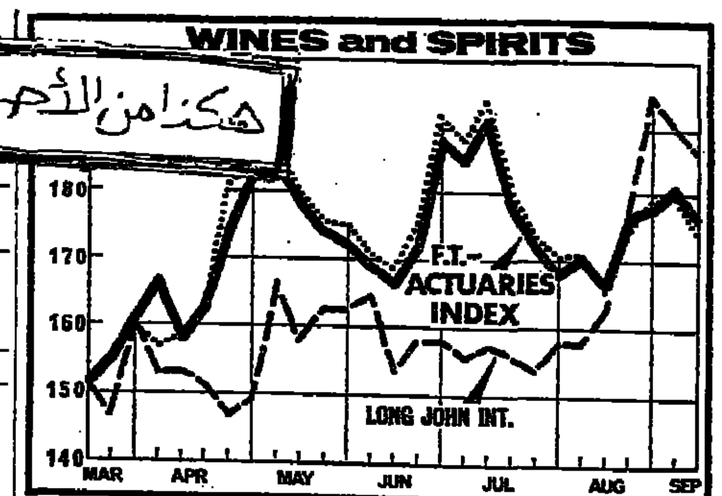
The following table shows the percentage changes* which have taken place since December 31, 1970, in the principal equity sections of the F.T.-Actuaries Share Indices. It also includes the F.T. Gold Mines index.

	% Change		% Change		% Change		% Change
Banks	+71.39	Newspapers & Publish.	+42.49	Chemicals	+34.35	Oil	+14.39
Household Goods	+64.81	Property	+42.25	Electronics, Radio & TV	+33.98	Tins	+14.31
Merchant Bks., Issuing Houses	+60.17	Discount Houses	+40.74	Insurance (Life)	+31.84	Teas	+13.61
Building Materials	+59.56	Rubbers	+39.08	*500 Share*	+31.41	Packaging and Paper	+11.87
Insurance (Brokers)	+57.30	*Consumer Goods (Durable) Group*	+38.84	Aircraft & Components	+25.01	Machine Tools	+ 8.75
Insurance (Composite)	+54.94	Motors & Distributors	+38.58	Engineering	+23.96	Coppers	+ 8.37
Contract. & Construc.	+54.36	*Consumer Goods (Non-durable) Group*	+36.58	Investment Trusts	+22.84	Shipping	+ 3.33
Hire Purchase	+49.68	Electricals (ex. Elect. Radio & TV)	+36.56	Wines and Spirits	+22.06	Mining Finance	− 8.48
Breweries	+49.49	*Capital Goods Group*	+35.04	Tobacco	+20.88	Gold Mines F.T.	−10.13
Food Retailing	+48.56	*All-share Index*	+34.89	Entertainment and Catering	+19.82	Toys and Games	−29.80
Financial Group	+47.27	*Industrial Group (498 shares)*	+34.80	Office Equipment	+19.16		
Stores	+46.59			Textiles	+15.44		
Food Manufacturing	+42.77						

* Percentage changes based on Tuesday, September 28, 1971, indices.

South African (300)

PROPERTY (500)



A drop of 10 per cent. in the F.T.-Actuaries Wines and Spirits share index from its mid-July high point for the year coincided with disappointment with Distillers' annual results, and the latest setback followed the chairman's reference in his annual report to price competition. The subsection is currently 22 per cent. up since the start of the year compared with a 36½ per cent. rise in the parent Consumer Goods (Non-Durable) Group.

RUBBER (94)

Anglo-Indonesian 26½φ 6? ½
Beradin (5p) 6φ
Bertam Cons. (10p) 18¼φ
Bradwall (FMS) (10p) 20φ
Ceylon Consd. (5p) 6
Craigielea (10p) 11½φ
Dalkeith (Ceylon) Hldgs. (10p) 4
Dub Dev. (25p) 83
Gadek (10p) 11½
Golden Hope (10p) 45¼
Guthrie Cpn. 217½φ 18 20 17. 9¼pc Ln. £9½
Highlands Lowlands Para (10p) 37φ ¼φ 7
Kuala Lumpur-Kepong Amalgmtd. (10p)

Apollo Intnl. 3½
B.P. Oil Gas 328
Bk. N.S.W. (Aust. Reg.) 258 63
B. G. Shoes Leather 64φ 5φ 80 2φ
Barymin Explrn. 46φ
Bow Valley Inds. £13⅞φ
Bridge Oil 14½φ 13¾ 14. Do. (5 cts.) 7¾
Bougainville (f. pd.) 106 10. Do. (pt. pd.) 70 5
Bell Bros. 104
Colonial Sugar 210φ 7
Consd. Food £22φ
Conwest Explrn. (Canada) 410φ
Ciba-Geigy 7¼pc 1978-91 (£50 pd.) 67½φ. Do. (f. pd.) 118

SHIPPING (117)

TEA & COFFEE (34)

TELEGRAPHS & TELEPHS. (1)

TRAMWAYS & OMNIBUS (6)

WATERWORKS (17)

SPECIAL LIST

SEPTEMBER 29 (3)

RULE 163 (1) (e)

Bargains marked under Rule 163 (1) (e) in securities for which quotation has not been granted and which are not recorded in the Official List.

SEPTEMBER 29

(By permission of the Stock Exchange Council)

CORAL INDEX

Close 411-416

ERRATA

NEW "HIGHS" AND "LOWS"

The following securities (number in parentheses) among those quoted in London Closing Prices yesterday attained new "highs" and "lows" for 1971:—

NEW "HIGHS" (93)

NEW "LOWS" (38)

FOODS (3)

Asscd. Biscuits — Rowntree-Mackintosh
Kwik-Save Discount

HOTELS (2)

Grd. Met. Hotels — Lyons "A"

INDUSTRIALS (19)

Blakdale Prods. — Hargreaves Grp.
Burnett & Halmshire — Hoskins and Horton
Campari — Kangoy
Compton Webb — Marshall's Universal
Cons. Comm. — Norcros 6½pc Pref.
Dnbee.-Cmbex.-Mx. — Paterson Zochonis
Elson and Robbins — Rockware Grp.
Gill and Duffus — Spear (J. W.)
Goblin (B.V.C.) — Steel Bros.

INSURANCE (1)

Phoenix

MOTORS (3)

Harrison (T. C.)

NEWSPAPERS (4)

Menzies (J.) — Do. N.-vtg.
News Intnl. — Utd. News

PAPER, PRINTING (6)

Brit. Printing — Smith (David)
KMPH — Universal Printers
McCorquodale — Watmoughs

PROPERTY (9)

Allied London — Nrth. Brit.
Chown Secs. — Regional
Fore Street Invst. — Do. "A"
Greensitt & Barratt — Trafalgar House Invst.
Guardian

Anglo-American — Metals Explrn.
Charter Cons. — Nthrn. Mng.
Cons. Gold Fields — Poseidon
Corner House — Messina
Joburg. Cons. — Cons. Murchison
Middle Wits — Rio Tinto-Zinc
Rand Selection

RISES AND FALLS YESTERDAY

	Up	Down	Same
British Funds	4	14	30
Corps. Dom. and Foreign Bonds	19	21	93
Industrials	216	530	974
Financial & Prop.	70	194	280
Oils	4	9	17
Plantations	9	3	76
Mines	12	52	114
Recent Issues	3	19	84
Totals	337	842	1,668

ACTIVE STOCKS

Prices in pence except where otherwise indicated.

Stock	Denomination	No. of marks	Closing price	Change on day	1971 high	1971 low
Imp. Chem. Inds.	£1	23	312	− 5	335	230
Court Line	25p	18	181	− 3	200	119
De Beers Defd.	R0.05	13	178	− 8	258	178
Royal Ins.	25p	13	412	−10	434	265
Beecham	25p	12	317	− 8	356	225
Shell Transport	25p	12	334	—	426	327
Comm. Union Ass.	25p	11	446	− 8	482	320
Marks & Spencer	25p	11	315	− 2	331	194¾
Rio Tinto-Zinc	25p	11	200	− 6	270	200
Boots	25p	10	214	− 5	224	130
Glaxo	50p	10	410	− 4	445	284
Thorn Elect. "A"	25p	10	431	− 6	450	256
Barclay Secs.	10p	9	153	+ 8	165	69½
Brit.-Am. Tobacco	25p	9	322	+ 5	391	265
Courtaulds	25p	9	121	− 3	136	107

The above list of active stocks is based on the number of bargains recorded yesterday in the Official list and under Rule 163(1)(e) and reproduced to-day in Stock Exchange dealings.

Howard next Lord Mayor

Sir Edward Howard

ALDERMAN Sir Edward Howard was yesterday elected Lord Mayor of London for 1971-72, following in the footsteps of his father, Sir Seymour Howard, who held the office in 1954-55.

Sir Edward, aged 55, is the 644th Lord Mayor of London. It is unusual for a son to follow a father into the mayoralty and this is the only instance in recent times.

The new Lord Mayor has been noted for his opposition to the Barbican residential and development scheme and to the proposal that the City of London should finance an arts festival.

For his year in office, which starts on the eve of the Lord Mayor's Show in November, he has chosen the theme "The City serves the nation—to-day and to-morrow." He intends to emphasise the importance of the City as the business heart of Britain and the world.

In a speech following his election at the Guildhall yesterday he stressed that he will seize the opportunity to advocate British entry into the Common Market.

"I believe passionately that Britain's political and economic future lies in Europe and that no city is more affected nor has greater opportunities within its grasp than our own."

Sir Edward was elected to the Court of Common Council for the Ward of Cornhill in 1951 and became alderman for the ward in 1963. He was elected sheriff for the City of London in 1966.

A member of the Stock Exchange, he is a senior partner of Charles Stanley and Co., stockbrokers. In addition, he is chairman of a number of public companies.

Eccles favours combined ops to aid regional arts

BY JOHN HUNT

PROPOSALS FOR a national cultural policy aimed primarily at encouraging the arts in the provinces were put forward yesterday by Lord Eccles, the Paymaster-General and Minister for the Arts.

The basic programme would be initiated at a local level and would work closely with television, radio and the Press. National leadership and co-ordination would be provided by a new committee of Government ministers who have responsibilities in the arts.

Random culture

The suggestions were put forward by Lord Eccles as a "kite flying" exercise, when he spoke in Newcastle to Northern Arts, the regional arts association, he said the time was ripe to consider the part that such associations should play in a developing policy for the whole country.

"It no longer makes sense to provide cultural activities for the general public in the piecemeal random fashion to which we have been accustomed," he said. Adult education, libraries, museums, the arts and crafts and many kinds of sport were ready for co-ordination. He foresaw that regional organisations would have to be set up alongside the local education authorities in order to run such a programme.

He pointed out that in France it had been suggested that a committee of ministers should advise the Minister for Culture. A similar body in Britain might include the Ministers for Education and Science, Environment, Employment and Posts and Communications.

Option Report and three-month "Call" rates

OPTION DEALING DATES

First Dealings	Last Dealings	Last Declaration	For Settlement
Sept. 28	Oct. 11	Dec. 30	Jan. 11
Oct. 12	Oct. 25	Jan. 13	Jan. 25
Oct. 26	Nov. 8	Jan. 27	Feb. 8

There was reduced activity yesterday in the Option market. Stocks favoured for the "call" were **Shell Transport, Fairview Estates, Bowthorpe, Photopia International, West Driefontein, British Leyland, United City Merchants 10 per cent. Units, Poseidon, Stylo Shoes, Hampton Areas, Reyrolle Parsons, Barclay Securities, R. Costain, Woolworth, General Electric, British-American Tobacco, Armour Trust, Woodside and Lonrho.**

"Puts" were taken out in **British Petroleum** and **Robert Stigwood**, while double-options were completed in **De Beers, Rio Tinto-Zinc, Armour Trust** and **Union Corporation.**

Prices in pence unless otherwise stated.

Industrials						Mines	
A. P. Cement	18	G.U.S. "A"	22	Reed Intl	22	Anglo Amer.	30
Barclays Bank	30	Guardian	14	Slater Walker	20	Broken Hill Prop.	62
Beecham	18	Guest Keen	20	Tesco	5	Charter Cons.	22
Boots Drug	11	Hawker Sidd.	20	Thorn 'A'	25	Charterhall Fin.	4
Bowaters	15	Hay's Wharf	20	Tube Inv.	25	Cons. Gold	25
B.A.T.	20	House of Fraser	17	Unilever	20	De Beers Def.	13
British Leyland	3	I.C.I.	17	Utd Drapery	15	F. S. Geduld	52
British Oxygen	3	"Imps"	6	Vickers	7	Great Boulder	20
Burton "A"	15	I.C.L.	20	Woolworth	5	Hampton Areas	15
Butlin's	3	Int. Stores	7	Property		Hampton Props.	9
Cadbury's	7	Inveresk Paper	5	Cap Counties	9	Kloof	20
Cannon St.	6	Jessel Secs.	25	Land Securities	12	Lonrho	10
Courtaulds	10	Legal&General	22	Peachey	9	Loraine	5
Debenhams	14	Lloyds Bank	30	Star (Gt. Brit.)	20	Metals Explor.	26
Distillers	11	"Lofs"	6	Town&City	12	Newmetal	2
Dunlop	15	"Mams"	14	Town&Comm.	14	Poseidon	£2
E.M.I.	12	Marks& Spenc'r	18	Oils		Pres. Steyn	20
Fisons	19	Metal Box	22	Brit Petroleum	32	Rio-T.Zinc	15
G.R.A. Trust	12	Midland Bank	30	Burmah Oil	31	Welkom	12
Gen. Accident	12	Natl West Bank.	30	Oil Search	4	West Areas	9
General Electric	9	P. & O. Defd.	15	Shell	22	Western M'ng.	16
Glaxo	30	Plessey	10	Ultramar	24	Zambia Copper	7
		Ralli Intl.	11				
		Rank Org. "A"	52				

REGIONAL MARKETS

Prices in pence and denominations of 25p unless otherwise stated

BELFAST

B'fast C3½% 1976	£96	......
B'fast Rope £1	76	......
Hughes (B) £1	150	......
Vulcanite	107	......

IRISH EXCHANGE

NORTHERN EXCHANGE

SCOTTISH EXCHANGE

MIDLANDS & WESTERN

SHARE INFORMATION SERVICE: NOTES

F.T. SHARE INFORMATION SERVICE

BRITISH FUNDS

"Shorts" (Lives up to Five Years)

Five to Fifteen Years

Over Fifteen Years

Undated

"Tap" Stocks

INTERNATIONAL BANK

CORPORATION LOANS

COMMONWEALTH AND AFRICAN LOANS

Corporation Short-dated Bonds

PUBLIC BOARD AND OTHER LOANS

FOREIGN BONDS & RAILS

London U.S. Dollar and DM Issues

Prices exclude inv. $ premium.

AMERICANS

S.E. List Premium [illegible] (based on $2.4815 per £)

CANADIANS

S.E. List Premium 29¼% (based on $2.5070 per £)

BANKS AND HIRE PURCHASE

†† Banks, etc.

Hire Purchase, etc.

BEERS, WINES AND SPIRITS

BUILDING INDUSTRY, TIMBER & ROADS

BUILDING INDUSTRY—Continued

CHEMICALS, PLASTICS, ETC.

CINEMAS, THEATRES AND TV

DRAPERY AND STORES

DRAPERY AND STORES—Continued

ELECTRICAL AND RADIO

ENGINEERING AND METAL

ENGINEERING AND METAL—General—Contd

For Jacks (Wm.) see under Industrials (Misc.)

FOOD, GROCERIES, ETC.

HOTELS AND CATERERS

HOTELS AND CATERERS—Continued

INDUSTRIALS (Miscel.)

"Recent Issues" and "Rights" Page [illegible]

هكذا من الأحول

هكذا من الأحمل

INDUSTRIALS—Continued

INSURANCE

MACHINE TOOLS

MOTOR, AIRCRAFT TRADES

Motors and Cycles

Commercial Vehicles

Aircraft

Components

Garages and Distributors

NEWSPAPERS, PUBLISHERS

PAPER, PRINTING, ADVERTISING

PROPERTY

SHIPBUILDERS, REPAIRERS

SHIPPING

SHOES AND LEATHER

SOUTH AFRICANS

STEELS

TEXTILES—GENERAL

TEXTILES—WOOL

TOBACCOS

TRUSTS, FINANCE, LAND

Investment Trusts

Finance, Land, etc.

UTILITIES

OILS

RUBBERS—MALAYSIAN

RUBBERS—MISCELLANEOUS

SISAL

TEAS

India and Pakistan

TRUSTS, FINANCE, LAND—Continued

TEAS—Continued

India and Pakistan (cont.)

1971 High	1971 Low	Stock	Closing Price p	+ or −	Div % or Amount	Times covered	Gross yield %
30	22	Scottish Assam (£1)	28	......	—	—	—
6	4	Singlo (10p)	5½	......	—	—	—
52½	34	South'n India (£1)	37	......	2½	U1.5	6.8
242½	175	Travancore (£1)	190	......	20	1.2	10.5
61	39	Warren Tea (£1)	61	......	6	φ	9.8
58	46	West Dooars (£1)	58	......	4	φ	7.1
74	51½	Williamson (£1)	74	......	6	φ	10.8

Ceylon—

1971 High	1971 Low	Stock	Closing Price p	+ or −	Div % or Amount	Times covered	Gross yield %
63	54	Bogawantalawa £1	60	−2	10	1.0	16.7
9	4½	Central Prov.	7½	......	5	U1.9	16.7
175	101¼	Ceylon Plants (£1)	175	+5	20	1.0	11.4
45	18⅛	Denmalera	40	......	—	—	—
43	35	Dimbula Valley £1	40	......	3	2.3	7.5
6	4½	Galaha (20p)	6	......	4	U1.8	13.3
3½	2½	Gen. Ceylon (10p)	3½	......	2	U1.3	5.0
27	12	Halcyon Inv 10p	22	......	4	—	1.8
62	32½	Lanka (£1)	58	......	5	1.9	9.8
50	37	Lunuva (£1)	48	......	3	1.3	6.2
26	21	Nuwara Eliya (£1)	26	......	2½	9.6	10.0
40	24½	Ouvah High £1	40	......	3½	1.2	8.7
125	221	Pelmadulla £1	120	......	18	1.2	15.0
11¼	9⅛	Rajawella Hdg. 5p	11	......	—	—	—
15⅛	9½	Roseburgh	11	......	5	0.4	11.5
4⅝	4	Scot. Ceylon	4½	......	—	—	—
21¼	15	Scot. Tea & Ld. £1	16	......	2½	1.4	15.6
54	36	Standard £1	54	......	5	1.3	9.3
5	3½	Tea Corporation	3½	......	—	—	—

MINES—CENTRAL RAND

1971 High	1971 Low	Stock	Closing Price p	+ or −	Div % or Amount	Times covered	Gross yield %
92	70	Durban Deep (R1)	72	−3	14c	2.0	‡
119	69	East Rand Prop. (R1)	76	......	4c	9.4	‡
32	21	Luipaards Vl. (10p)	29	......	2c	φ	4.0
15	9	Rand Leases (25c)	10	......	—	—	—
90	66½	RandFon'n Est. (R2)	70	......	4c	1.5	‡
56¼	46	Robinson Deep (R2)	50	......	4c	1.2	‡
25¼	20	Simmer (25c)	23	......	—	—	—
40	32	West Rand (R1)	33	......	10c	2.5	17.7

EASTERN RAND

1971 High	1971 Low	Stock	Closing Price p	+ or −	Div % or Amount	Times covered	Gross yield %
63	42	Bracken (R1)	42xd	......	16c	φ	23.9
10	8	Daggafontein (50c)	8	......	—	—	—
39	21¼	East Dagg. (R1)	25	......	11c	1.0	25.7
16	10	East Geduld (25c)	12	......	14c	—	68.1
13½	10	Freivon't Areas (25c)	11	......	20c	1.0	‡
22	17	Grootvlei (25c)	17	......	4.5c	2.2	15.4
113½	78	Kinross (R1)	78xd	−1	12c	φ	9.0
46¼	29	Leslie (R1)	29xd	−1	10c	φ	20.1
76	56	Marievale (R1)	58	......	25.5c	1.0	‡
88	63	S. African Ld. (35c)	76	......	35c	0.7	26.9
65	46	Sub Nigel (25c)	55	......	22c	φ	23.3
45	34	Vlakfontein (R1)	40	......	20c	1.0	29.2

FAR WEST RAND

O.F.S.

FINANCE

DIAMOND

PLATINUM

CENTRAL AFRICAN

AUSTRALIANS

TIN—EASTERN

TIN—NIGERIAN

TIN—MISCELLANEOUS

COPPER

1971 High	1971 Low	Stock	Closing Price p	+ or −	Div % or Amount	Times covered	Gross yield %
13⅟₁₆	10	Indian (10p)	11	......	11.1	3.0	10.1
295	214	Messina (R0.50)	214	−8	190	2.0	‡

MISCELLANEOUS

1971 High	1971 Low	Stock	Closing Price p	+ or −	Div % or Amount	Times covered	Gross yield %
7⅞	5	Burma Mines (17½p)	6¾	−¼	—	—	—
35	17½	Cent. Prov. Mn (12½p)	22	−½	a13	φ	11.6
31	12½	Charterhall (5p)	15	......	—	—	—
612½	240	Cons. Murch (10c)	240	−5	80c	2.1	‡
£92	£73½	G. F. Wa. Ind. Db.	£82	......	7½	38.0	e10.0
565	300	Northgate (C$1)	300	......	50c	3.2	6.9
270	200	R.T.Z.	200	−6	24	1.8	3.0
295	80	Sabina Inds. (C$1)	82	−2	—	—	—

For Notes, see Stock Exchange Dealings.

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Lombard

If they snub the uninvited guest

BY C. GORDON TETHER

GREAT EFFORTS ARE being made at the International Monetary Fund jamboree to ignore the presence of the uninvited guest—gold. The Chancellor of the Exchequer, for example, spent a great deal of time unveiling a plan for fundamental reform of the world's monetary system without once referring to the metal's future role in this field.

Yet the fact remains that, in the last resort, it was the unrealistic character of the relationship between gold and the dollar that brought the so-called gold exchange standard crashing down. And a brave new monetary world wherein the discredited reserve currency element in the international liquidity supply was to be gradually replaced with extra issues of paper-gold Special Drawing Rights would be severely handicapped from the start if it did not incorporate a procedure for valuing gold that made lasting sense.

Not as good

The failure of successive U.S. administrations to tackle the country's chronic payments deficit, coupled with the recent tendency for American inflation to proceed at a faster pace than other people's, had seriously undermined the international standing of the dollar long before the onset of the latest international monetary crisis. But it was the rapid growth this summer of the conviction that the dollar was no longer as good as gold at $35 per ounce that created such an immediate threat to the U.S. reserve position that President Nixon felt obliged to close the gold-window.

This clearly has the greatest relevance to the currently fashionable theme that the most promising way of approaching international monetary reform lies in extending the role of the SDR.

It is evident that gold is still held in such high esteem that it would be foolish not to accept that the metal itself is going to continue to play a most important part in the functioning of the international monetary system for some considerable time to come. What is no less evident is that, whatever the reputation the SDR may ultimately establish for itself, its acceptability in the period with which any international monetary new deal now being evolved will be concerned will rely heavily on the fact that its value is linked with gold.

Not the thing

In other words, if the plan to boost the SDR goes through, gold will effectively be occupying an even more important position, directly and indirectly, in the international liquidity system than it has been doing during the gold exchange standard phase.

It might be said that when it is intended to exploit its high international standing in such fashion it is hardly the thing for Finance Ministers to behave as though it had become so much a thing of the past that it can now be completely ignored. But if there is no readiness to acknowledge what is owed to it on this account, common sense considerations suggest one thing at least. This is that it ought to be recognised that its continued presence in the picture should be on the basis of a relationship with currencies that does not put them collectively at a disadvantage.

The danger

A prerequisite, then, of the projected international liquidity reform, is a re-alignment of gold drastic enough to make its relationship with currencies look realistic for a considerable time to come. Otherwise, the new set-up will be exposed to a constant danger of countries feeling impelled to try to exchange currencies for gold or SDRs on a massive scale because they have been persuaded that the forces making for dearer gold can no longer be held back.

An unfortunate consequence of the way in which the international monetary debate has been handled is that the argument over the gold price has got away on the wrong foot. Thus even those who oppose American insistence that it should stay at $35 per ounce seem to be asking for only a modest increase.

The real question is whether the adjustment should suffice only to offset the dollar devaluation or be large enough to establish the metal at a truly realistic level. After all, it is now in real terms at little more than a third of its pre-war value. And the behaviour of the free market suggests that, without taking account of its monetary uses, it can already command a price well above the existing official parity.

THE LEX COLUMN

Index fell 3.8 to 413.7

Phoenix and the composites' ratings

A £400,000 underwriting improvement in the U.S. and a £220,000 deterioration elsewhere (after pensions, etc.) has left the first half profits of Phoenix £710,000 up after minorities at £3.7m. pre-tax. The U.S. improvement—a 2.4-point drop in the operating ratio—was probably the least that was expected, whereas for the rest Phoenix has a fair commitment in Canada (10 per cent.), which saw a bad first half; is rather light on U.K. personal property lines, which have fared especially well to date; and had little premium rate benefit on its smallish U.K. motor account.

Recovery so far in Canada and the presence of £½m. of Celia losses in second-half 1970 suggest that a £1m. pre-tax improvement in the second half would be a fair expectation, while at earnings level growth from £4.9m. to £6.2m., or 15½p a share would be consistent with a current annual rate of rise in investment income of £1m. (15 per cent.).

Down 8p to 268p, that would leave Phoenix just about on the 17 average prospective p/e which can be projected for the industry. As to where the sector as a whole is headed, the first point is that such a projected multiple is within range of the prospective average figure for industrials: as a rule the sector has stood at a 10 to 20 per cent. premium when the year's figures are through. Right now, the key arguments for expecting above average performance are on the one hand the massive recovery potential in 1970's £30m. U.K. motor loss and on the other a 12 to 15 per cent. growth rate in investment income.

See also Page 30

Plessey

Plessey's accounts seem to confirm what the group has always said—that the £14½m. jump in stocks and net debtors on a pro forma basis in the first six months was a seasonal affair rather than anything more sinister. The rise for the year drops back to just £4½m., stocks are marginally down and following the $25m. Euro-dollar loan, the liquidity ratio has thus improved over the second half.

Fair enough, but the accounts also clarify the extent of Plessey's problems at home. U.K. profits excluding telecommunications dropped by £4m. or so last year, and industrial/commercial sales actually fell by 7 per cent. The current turnround in Garrard is not by itself going to change all that, and improvement elsewhere is going to be a more gradual process with fixed price contracts in electronics still to be completed and components demand sliding through last year. Telecommunications are still pushing ahead, but the sales mix may be more profitable later rather than earlier in the current year. So the investment problem with the shares at 127p on a p/e of 18.7 is that by 1972 Plessey ought to be looking like a growth stock again, but in the meantime there are some poor first quarter figures to be got out of the way.

See also Page 30

Universal Grinding

The relative weakness of Universal Grinding, now 93½p, extends back to last May which saw, first, the resignation of the group managing director and, secondly, a forecast of lower first half profits. Point one was a blow to a market which had tended to associate an individual with acquisitive expansion and a reduction of UG's cyclical tendencies. Point two was the cycle itself: neither the steel nor the motor industries, both big users of UG's wheels and diamond tools, were in good form in the first six months of 1971.

That explains a first half profit decline from £1.72m. to £1.45m., prospective earnings of 9.1p a share (fully diluted but after a lowish tax charge) and a p/e of just over 10. This does not look particularly dear, given that the recovery potential in abrasives extends to diamond merchanting as well, but whether UG is cheap short term, is another matter. There are a lot of companies that would benefit from a steel-cum motors upturn; a number of them are more cyclical; and few of them are in an "in-between" stage at top management level.

See also Page 29

Rockware Glass

After two years of disappointments, Rockware's first half profits before tax have jumped to £652,000, against £224,000 and £496,000 respectively in the first and second halves of 1970. One reason lies in the output trend, with a 6 per cent. rise in volume and a gain of a fifth in value—the latter including only a partial impact from the price rises averaging around 10 per cent. in May. On the costs side, the group has the Liverpool closure behind it, and is getting a better performance from the new Wheatley plant.

Despite a few dull spots—the cordial market, for instance, has been unexciting, and plastic containers are as cut-throat a sector as ever—Rockware has been able to push up capacity utilisation, quite a contrast to last year when stock reduction was the priority. A boom in wine bottles has been a feature, and one-trip bottles are still a growth area. So even after a 6p jump to 70p a prospective p/e of 12.2 (annualising the first half) has its points. The drawback, in the context of already high long term borrowings, could be the heavy technological pressure: the new 8 ounce milk bottle is one of the latest manifestations.

See also Page 30

CSI/Goulston

Goulston may not have appealed in turn to Paquin, Town and Commercial, Spey Holdings and now FNFC, but its value to Cannon Street Investments—which plans to buy its £3.87m. of net assets and £454,000 of profits for £5m. cash (on paper at CSI's option)—is that it gives it a financial rationale over and above that of a straight investment trust. This it was perhaps beginning to need, with a goodwill element of maybe £5m. out of an £8½m. market capitalisation at 53½p.

See also Page 29

Takeover Panel seeks to discourage 'shut out' bids

BY SANDY McLACHLAN

THE FULL Takeover Panel is taking steps to discourage the practice of "shut out" bids. This is the process of obtaining a sufficient number of "irrevocable" acceptances to make it impossible, or at least highly improbable, for any counterbidder to have a chance of success.

The move by the Panel follows an appeal by Grimshawe-Windsor against the tactics used by Blaskeys (Wallpapers) and Leyland Paint and Wallpaper and their respective advisers Schroder Wagg and Lazard Brothers.

Higher offer

Having previously agreed to a bid of 35p from Grimshawe, the Blaskeys' Board then did an about-turn and gave irrevocable acceptances amounting to 51 per cent. of the capital to a Leyland bid of 40p Mr. Peter Grimshawe, the Grimshawe-Windsor chairman, then increased his offer to above that of Leyland, and challenged the irrevocable acceptances through the Takeover Panel.

In the event Mr. Grimshawe has lost his fight. The Panel have decided that in this case the Code has not been breached since Schroder Wagg acted in what they believed to be the best interests of their client when advising acceptance of the "shut out" bid, "even though in the light of subsequent events it seems possible that the shareholders of Blaskeys have been deprived of the opportunity of receiving a higher offer from Grimshawe-Windsor and that Mr. Grimshawe was less than fairly dealt with."

Schroder Wagg, however, gets a mild reproof to the extent that the Panel says it would have been wise to consult them before advocating that a "shut out" should be given.

The Panel will invite the City Working Party, which is reviewing the provisions of the Code, to look at the whole question of the "shut out" so that it may possibly be catered for in the Code.

Two stipulations

In the meantime the Panel has made two stipulations to be followed in future. First, where more than one party is interested in bidding no "shut out" bid should be accepted without all parties being made aware that a potential competitive situation exists and being given an opportunity to make a statement to shareholders in the offeree company. Second, the Panel executive should be consulted before any "shut out" bid is accepted.

The Panel's decision in the Blaskeys' case ensures victory for Leyland, whose formal offer document was posted to shareholders in Blaskeys last night.

Rippon tries to ease EEC food price fears

By David Lascelles

BRITAIN'S food prices are expected to remain among the lowest in Europe, even after entry into the EEC, Mr. Geoffrey Rippon, chief Common Market negotiator said in London yesterday.

He said that although the Government had calculated food prices would increase by 2½ per cent. a year over the six transitional years, there were several factors, not generally appreciated which would check increases and offset their impact on household budgets.

Products such as bacon and tea, which are luxuries on the Continent and therefore expensive, would not have to rise to Continental levels when Britain entered the EEC. Nor should milk, fish, oils, fats, fruit, vegetables and coffee, all of which were expected to show little change in price.

Mr. Rippon emphasised that although prices were higher in the EEC, earning power was also correspondingly higher, and was growing at a faster rate than Britain's.

In calculating the impact of entry on the cost of living, Mr. Rippon said the Government had, contrary to what was alleged, taken into account the effect of adopting the Common Agricultural Policy for cereals on the retail price of bread and also made the necessary provision for additional marketing and distribution costs.

SDRs: Support for Barber

BY PAUL LEWIS, U.S. EDITOR

WASHINGTON, Sept. 29.

THE British Government's plan for expanding the IMF Special Drawing Rights scheme has now won widespread acceptance among the major trading nations as the basis for a long-term reform of the world monetary system.

At this morning's session of the IMF annual meeting here, further support was given by the Finance Ministers of Australia, Belgium and the Netherlands, to the proposals tabled yesterday by the Chancellor of the Exchequer.

Welcomed

France, Italy and Japan have already welcomed his idea, and although the U.S. Treasury Secretary has yet to address the meeting, there is known to be a good deal of sympathy for the general British approach in high Administration circles.

The basic area of agreement that has emerged at the meeting so far covers the need to phase out gradually the reserve currency system, a corresponding increase in the use of the Special Drawing Right mechanism to provide the world with fresh liquidity, and a return to fixed, though more flexible exchange rates. There is also widespread concern about the destabilising effect of short-term capital flows.

Where attitudes are less clear-cut, however, is on the role that gold should play under an SDR system. Although the Chancellor was vague on this point, he did suggest that countries might meet their convertibility requirements by buying and selling SDRs against their currency, and the Americans have made clear that they regard a reduction in gold's monetary role as an essential feature of any reform.

Nevertheless, the extent of world gold holdings clearly assures the metal an important position for some time to come. And, even though all Ministers agree that the SDR mechanism should provide the prime source of new reserves in future, there is strong pressure on the U.S. to concede a small increase in the dollar price of gold as part of any currency realignment.

To-day, the Australian, Belgian and Dutch Ministers added their names to the list of those who have publicly backed the IMF managing director in demanding that the U.S. itself shoulders part of the adjustment burden by devaluing the dollar in terms of gold. The Dutch Finance Minister, Mr. Nelissen, suggested that the dollar and all other floating currencies should be valued immediately at their market rate for fund transactions.

Alternatives

The Treasurer of the Australian Commonwealth, Mr. Snedden, was the first representative of the Sterling Area to comment on the Chancellor's proposals, which envisage the gradual exchange of official sterling holdings for Special Drawing Rights on the Fund. He said that Australia would be prepared to look at an SDR-based scheme, with or without a link to gold, but that it must be satisfied about alternatives to its reserve currency assets.

The New Zealand Finance Minister went even further, and called for a revaluation of the Special Drawing Right in terms of gold as its importance in the world monetary order increased. Mr. Muldoon thus became the first Minister publicly to suggest this method, revaluing the SDR against dollars without changing the highly sensitive dollar parity with gold.

Redundancy notices at BAC plant embitter strike peace talks

BY ROY ROGERS, LABOUR STAFF

ON THE EVE of peace talks, management at the dispute-hit Filton plant of the British Aircraft Corporation yesterday served over 100 redundancy notices and sent several hundred other workers home for refusing to work normally.

The 6,000 workers at the plant have imposed an overtime ban in protest at the company's redundancy plans and are blacking areas where the ban is broken. This situation has led to a week-long halt to work on the first pre-production Concorde and to sections of several other models under construction.

"Awful mistake"

Last night, Mr. Ron Nethercott, regional secretary of the Transport and General Workers' Union, who has been instrumental in arranging to-day's meeting between local MPs, unions and management, described the company's moves as "an awful mistake." "Russian spies could not have made a better job of sabotaging the meeting," he said.

To-day, local MPs, including Mr. Wedgwood Benn, the former Labour Minister of Technology, are to meet local union officials in a Bristol hotel and Mr. Ferguson Smith, BAC's chief executive, has cancelled a trip to Paris to be available in Bristol.

Mr. Frederick Corfield, Minister for Aerospace and MP for nearby South Gloucester, has declined an invitation from the TGWU to attend to-day's meeting on the ground that his dual responsibilities would raise difficulties. He has, however, said he would be pleased to meet the other local MPs on the matter.

Asked to leave

A management spokesman at Filton said last night that the men had been asked to do the work previously blacked and, when after half an hour they refused to comply, they were asked to leave and their pay was stopped. The remainder of the 460 redundancy notices, those to weekly and hourly-paid workers, are to be issued to-morrow. They are just part of a scheduled 1,200 workers being shed throughout BAC plants.

While BAC is obviously keen to see an end to the dispute, the fact that firm orders for Concorde have yet to be placed means that the dispute is not as damaging as it might otherwise have been and could perhaps account for the strong line being taken by local management.

Mr. Frederick Corfield

Barclays Bank investment in property field

By Michael Standen

BARCLAYS BANK has set up a new company, Barclaytrust Property Management, to act as a vehicle for investment in property by the bank. It is aimed to provide a central outlet within the Barclays group for members to invest in the property field.

The bank stressed yesterday that it is not intended that the new company should offer its services outside the bank, to customers or non-customers. It will, however, provide when it gets under way an in-house property outlet for any of the bank's internal activities, including particularly its trust company.

New Arts Council chairman

LORD ECCLES, Paymaster General with responsibility for the Arts, announced yesterday that he had appointed Mr. Patrick Gibson as chairman of the Arts Council of Great Britain to succeed Lord Goodman, whose term of office expires on April 30 next year.

Mr. Gibson, aged 55, is chairman of Pearson Longman, the publishing group which comprises the Financial Times, Westminster Press, Longman and Penguin. The company is a subsidiary of S. Pearson and Son, of which he is deputy chairman.

He is also chairman of the Advisory Council of the Victoria and Albert Museum, a member of the Council and Executive Committee of the National Trust, and a member of the committee of the National Art Collections Fund.

Lord Goodman was appointed chairman of the Arts Council in 1965 and his appointment was renewed for a further two years in 1970.

Threat to step up IRA campaign

BY JOHN GRAHAM

BELFAST, Sept. 29.

WITH THE Chequers talks over, the focus in Northern Ireland reverted quickly to-day to the security situation and the urgent need for some offensive to counter what is clearly an intensified campaign of terrorism.

The provisional wing of the Irish Republic Army has now threatened to step up its attacks even further. To-day, for the second time an anti-tank rocket was fired at British troops in Belfast. The missile missed.

Armed robberies

However, there were many other minor attacks in Belfast and Derry, and the IRA seems to have had at least some success in restoring its finances. Within the past 48 hours more than £25,000 has been stolen in armed robberies, most of these suspected to be the work of the IRA.

Mr. Brian Faulkner, the Prime Minister, to-day reported on the Chequers talks to his Cabinet and to a full meeting of the Parliamentary Party. Mr. Faulkner dismissed any talk of a leadership crisis, and indeed it appears that the Cabinet and Parliamentary Party are satisfied with his report.

Of course, some party members objected in principle to the tripartite talks, and others are still anxious at the continuing speculation about direct rule from Westminster. However, most of Mr. Faulkner's extreme Right-wing Unionist opponents have already effectively left the party, and their reactions, while hostile, have not caused any particular alarm.

For instance, Mr. William Craig, MP, declared that Ulster has been betrayed by the Government, and called for the creation of a new Unionist Party. He appealed to the constituency associations to mobilise grass roots Unionist opinion against the Prime Minister. He also gave his full support to the formation of an Ulster Loyalist civil defence corps, announced earlier this week by Mr. Ian Paisley.

He said: "Such an organisation will give confidence to the people and lessen the risk of the Province sliding into civil war." The corps would not be a para-military force—"There can be no question of it having a military nature. But it is a dreadful commentary on the Government actions that such a citizens defence corps has to be set up."

The corps has been approved by the recently formed Unionist Alliance, of which Mr. Craig and Mr. Paisley are members. It is also strongly advocated by the Grand Orange Lodge.

For some days now there have been rumours of additional measures to be taken against the terrorists, and these may well be announced after Lord Carrington comes here to-morrow.

One such measure could be the blowing up of many unapproved roads across the border. The Army has also hinted strongly that it will increase its fire power against the terrorists.

Nor is there any question that the Army is worried about the appearance of anti-tank missiles. Fortunately, the IRA has twice made the same technical mistake in loading them but this incompetence can hardly be expected to last for ever.

From Mr. Faulkner's point of view, his meeting next week with the Unionist Council is likely to cause him the greatest difficulty, and it would be to his advantage that there should be seen to be some new offensive against the terrorists by then.

Dublin sees Chequers as major breakthrough Page 14

Maudling in more Ulster talks to-day

By Richard Evans

MR. REGINALD MAUDLING, the Home Secretary, will to-day hold the fourth in the series of discussions he is having with representatives of varying opinions in Northern Ireland when he meets a New Ulster Movement delegation.

This will be followed on Tuesday by a meeting with the Northern Ireland Liberal Party. Further meetings with other interested groups will take place in the coming weeks in an attempt to find a solution to the Ulster crisis.

Weather

U.K. TO-DAY

SEMINAR ON CREDIT CONTROL